MENATIONAL UNDERWRITER

Life Insurance Edition

BRAGGING? of Course!
Look What We Have to Brag About.

OVER
\$100,000,000

Gain In Outstanding Insurance
During 1948—A 20% Increase
We Do Not Issue Group

MORE THAN
\$650,000,000

INSURANCE IN FORCE

It is doubtful if 20 of the more than 500 life insurance companies in America can show a greater dollar increase in outstanding Ordinary Volume. Needless to say, our exclusive and amazingly salable contracts are primarily responsible for these records. The people love them. Our representatives are happy, too, because Franklin exclusives bring them success and undreamed-of prosperity.



The Friendly

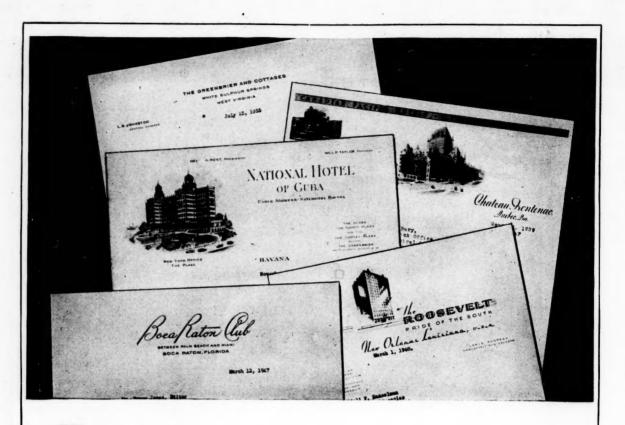
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS
DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$650,000,000.00 insurance in force.

FRIDAY, JANUARY 7, 1949



THE Union Central Life Insurance Company has held many memorable conventions. But the best is yet to come.

Next month, Union Central representatives from all over the country will assemble at

SAN ANTONIO, TEXAS

for a General Convention,

and at

MONTERREY, MEXICO

for a \$500,000 Club meeting.

They will take part in a program planned to provide more sound, successful sales suggestions than we have been able to offer at any past convention.

Union Central Conventions are part of the Company's complete program to support its representatives with the most modern sales training methods... the most salable policy contracts... the most usable sales helps... and the full power and prestige it has gained through 82 years of experience in providing financial security for the families of America.



THE Union Central LIFE INSURANCE CO.

CINCINNATI, DHID

THE NATIONAL UNDERWRITFR Life Insurance Edition. Published weekly by The National Underwriter Company, Office of Publication, 175 W. Jackson Blvd., Chicago, Ill., U. S. A. 53rd year. No. 1, Friday, January 7, 1949. \$5.00 per year (Canada \$6.00). 20 cents per copy. Entered as second-class matter June 9, 1900, at the post office at Chicago, Ill., under Act of March 3, 1879.

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Survey Points Up Big **Gains in Voluntary** A. & H. Coverage

52 Million Have Hospital Expense, Health Council **Committee States**

More than 52 million people in the United States are protected under some form of voluntary hospital expense insurance, 26 million have voluntary medical insurance and 9 million are covered by surgical expense plans. More than half of the employed population, or about 31 million persons, have protection against loss of income due to dis-

These figures were contained in a survey conducted by Health Insurance Council, a group of leading life and casualty associations, and are released at a time when the tom-toms are beginning to beat again for socialized medicine. The totals are considered conservative, since all figures are as of Dec.

Statistics Are Combined

John H. Miller, vice-president of Monarch Life, was in charge of the committee which prepared the survey. It is the first comprehensive attempt to produce combined statistics showing protection by insurance companies, Blue Cross and all other organizations of sim-

Mr. Miller stated that the survey dem-Mr. Miller stated that the survey demonstrates how extensively the job of establishing protection through private channels has been accomplished. The growth of the plans has been accelerated since the end of the war, and in the case of hospitalization under group policies and Blue Cross, there has been an increase of 56% from 1945 to December, 1947, and 241% since 1941. The surgical and medical plans, which have been de-

Rep. Celler Ready to File Resolution for Investigation

WASHINGTON—Rep. Celler Mon-day told THE NATIONAL UNDERWRITER he would introduce a resolution "in a day or two" for investigation of insurance companies and their practices, not limited to the life industry. He indicated the resolution would provide for the investigation, to be conducted "probably by the standing committee on judiciary of which he is slated to be chairman.

Spring Meet at Va. Beach

The annual spring conference of the combination companies of L.I.A.M.A. will be held at Cavalier Hotel, Virginia Beach, Va., May 24-26.

veloped more recently, are growing at an even faster rate.

A significant aspect is the 31 million people insured against loss of income due to disability. The report points out that this figure actually represents more nearly complete coverage than the hospitalization totals, since protection against loss of income is needed only by wage earners.

wage earners.

The summary of coverages is shown below. The first part covers disability income and the other contains three classes, hospital, surgical and medical. The figures are broken down by type of

The figures are broken down by type of insurer.

Members of the committee besides Mr. Miller are: William H. Burling, assistant secretary of Travelers; W. W. Dagneau, group department manager of Hardware Mutual Casualty; H. H. Hennington, assistant actuary of Equitable Society; Frank Lang, manager of the department of research of Assn. of Casualty & Surety Companies, and J. E. Taylor, associate actuary of National Life & Accident. Organizations represented by Health Insurance Council are American Life Convention, American Mutual Alliance, Assn. of Casualty & Surety Companies, Bureau of A. & H. Underwriters, H. & A. Underwriters Conference, Life Assn. of America, Life Insurers Conference and National Fraternal Congress.

I Disability Income Insurance

Paid sick leave—			18,714,000
Private industry			4.490.000
Employe mutual benefit associations			1.460.000
Union plans, employer-employe plans			2,000,000
Total*			31,224,000
II Hospital, Surgical and Medi-	ent Expense	Coverage	
		Coverage-	
	Hospital	Surgical	Medical
Insurance companies, hospital companies, frate	ernal societie	es	
Personal	10,548,000	8,687,000	1,463,000
Dependents	10,275,000	6,651,000	606,000
Blue Cross—	20,823,000	15,338,000	2,069,000
Personal	12,057,000		
Dependents			
Total Medical societies or affiliated with Blue Cross-	_	******	
Personal	298,000	3,260,000	1,495,000
Dependents	156,000	3,820,000	1,490,000
Total	454,000	7,080,000	2,985,000
Personal	190,000	224.000	224.000
Dependents	250,000	300,000	300,000
Total	440.000	524.000	524,000
Consumer sponsored	1,600,000	1,600,000	1,600,000
Industrial, excluding coal mining	1,260,000	1,220,000	1,215,000
Private group clinics	375,000	385,000	405,000
University health plans	100,000	100,000	100,000
Total	52,584,000	26,247,000	8,898,000

^{*}It is estimated that over 4 million individuals were working in covered employment under the Rhode Island and California cash sickness benefit laws and the railroad unemployment insurance act at the end of 1947. Of these, approximately 2 million are believed to be included in the disability income table while the remaining 2 million, not included in this compilation, are protected only under one of these compulsory plans.

'48 Sales About \$24 Billion, Says C. I. Zimmerman

Says LIAMA Executive in Year-End Review

HARTFORD-Sales by U. S. legal last year

reserve life companies amounted to ap-proximately \$2.4 billion, thus mark-ing the third conmg the him con-secutive year in which the \$20 bil-lion mark has been exceeded, said Charles J. Zimmerman, associate managing director of L.I.A.M.A. in a

of L.I.A.M.A. in a year-end review.
Mr. Zimmerman said that volume is a p p r o x i - mately 1½% less than the \$24,358,000,000 record established in 1947.
New ordinary of \$16.2 billion comes

New ordinary of \$16.2 billion comes to within 2% of the 1947 record volume; new industrial of \$4,650,000,000 is approximately 98% of 1947 volume, and new group and wholesale of \$3,150,000,000 is 2.2% greater than the record 1947 volume.

1947 volume. Total life insurance in force increased by 8.2% from the 1947 record peak of \$191,264,000,000 to a new high of \$207 billion. This amount is broken down into \$135.2 billion of ordinary, \$32.6 billion of industrial, and \$31.2 billion of group and wholesale. Residents of continental United States purchased \$29.7 tinental United States purchased \$22.7 billion of life insurance and now own \$201 billion

The number of policyholders increased from an estimated 76 million to a new record, 78 million.

Assets of U.S. legal reserve companies increased 7% from \$51.7 billion to \$53.4 billion

\$55.4 billion.

Only About a Year's Income

Despite these astronomical figures, Despite these astronomical figures, the total amount of insurance in force in U.S. companies is only slightly in excess of the estimated 1948 national fixone, Mr. Zimmerman noted. In 1933 life insurance in force was 2.18% of national income. In 1938 it was 1.76% of national income and in 1943 it was of national income.

The average amount of insurance owned by the individual policyholder is \$2,600. In terms of 1935-39 values, this \$2,600. The U.S. public today is less adequately insured than it has been at any time during the past two decades. any time during the past two decades,

Mr. Zimmerman said that within the life insurance business there became more pronounced certain trends which must be taken into consideration in

must be taken into consideration in estimating life insurance sales for 1949. Policy loans which were on the downtrend for a number of years began to level off in 1946 and have increased in both 1947 and 1948. It is estimated that approximately \$2,075,000,000 in policy loans were outstanding at the end of 1948. Both in volume and as a percentage of total life insurance assets this figure compares most favorably with the depression decade of 1930 to 1940. Nevertheless, the three-year trend of increasing loans is now of sufficient dura-tion to be meaningful.

Another significant sign is the number of new policies purchased in 1948. (CONTINUED ON PAGE 24)

Hill Sees Big Year **But Says Agents** Off 11/2% from 1947 Record, Must Work Harder

> N. W. Mutual Agency Chief Reviews Record at Eastern Regional Meet

By DONALD J. REAP

NEW YORK-This will be a fourth bumper year for life insurance sales but

producers will have harder work to make it that way, Grant L. Hill, vice-president and director of agencies of Northwestern Mutual, predicted at the company's regional eastern sales meeting here. The company wrote \$439 million in new business in 1948, which was 86% more than in 1941, and 26% higher



Grant L. Hill

and 26% higher than the 1943-47 five-year average Last month's production of \$47 million was 13% ahead of December, 1947, 55% over November 1948, and the highest production of any month since March,

An air of cautious optimism dominated the meeting with many speakers at the sales forum hitting on methods to improve sales techniques and customer service while minimizing lost time by avoiding or dropping prospects who are uninsurable for medical or financial rea-

Discuss Estate Planning

A long view of the future of estate planning was taken by Mayo Adams Shattuck, Boston attorney, concluding speaker of the first day's session. He said that there are literally millions of prospects who need a plan. The story of estate planning has not been sold, he said, despite advertising. The field is growing continually. Complicated tax laws and wider dispersion of wealth will keep it growing. keep it growing.

Urging cooperation with lawyers, he said agents should go to them on a professional basis. The agent should be a militant idealist, he said, free from the influence of commission dollars. By continual education, insurance selling, the oldest of the arts, is transforming itself into the newest of the professions. He said the members of the Million Dollar Round Table are not there because they have sold \$1 million of insurance but because they have done an intelligent and forceful job in a difficult and highly competitive field.

"This criticism is kindly," he continued, "but I am hopeful that you will put away and behind you before very long any such childish concept as measuring your distinction among your fel-

uring your distinction among your fel-lows by size either of production, num-

After the applause which greeted this comment, he said he wouldn't want to be known as a "million dollar lawyer."

Earlier a play portraying the problems of a widow whose husband died without a will was enacted. Written by Laflin C. Jones, assistant director of agencies, it was enacted by a professional cast.

After luncheon a talk prepared by (CONTINUED ON PAGE 23)

XUM

Says Business Activity Faces Decline But Supporting Forces Will Cushion Trend

in business activity will be down, but because of many cushioning and sup-porting forces, the downward trendwill not attain seriwill not attain ous proportions, at 1949. He least in 1949. said the odds are that most of the American popula-tion will know of the decline "only from their newsfrom their papers but not



D. B. Woodward

om personal experience."
In the meantime, he cautioned, the op-

In the meantime, he cautioned, the operations of business, individuals and government should be dominated by caution and not daring. "Every experience study shows that the outstanding cause of business or investment losses is overoptimism in a boom," he said.

Mr. Woodward, economist and author who heads Mutual Life's research divison, addressed the annual meeting of the American Statistical Assn. He based his forecast on a review of theories of business cyclical movements, indicators that warned of the last five downturns in general business, and the existence in general business, and the existence of a number of soft spots in business.

Cyclical Approach

Discussing cyclical theories, he pointed to an analysis by Prof. Gottfried Haber-ler of Harvard which listed these condi-tions as portending cyclical downturns: The government has been deflating by The government has been denating by producing a cash surplus; the central bank and commercial banks putting on the brakes; some industries are cutting output; expansion of money supply and of means of production has reached a point where even a moderate de-accelerapoint where even a moderate de-accelera-tion could produce a set-back in some industries; capital goods producers lose part of their market when expanding production in consumer goods industries stops; labor's attitude and the rise of wages, also scarcer and costlier materials, during an upswing retard increases in employment and production; the dein employment and production; the demand for certain types of consumer and capital goods, whose production was started during the upswing, may be temporarily glutted.

These conditions that Professor Haberler says have postulated cyclical downturns appear to prevail today to a greater or less extent, Mr. Woodward declared.

Gives List of "Indicators"

A business decline has been signalled also, Mr. Woodward continued, by a list of indicators that have provided warning of a coming slump four to 10 months in advance for each of the last five downturns in general business. The list includes the yields of triple-A securities, industrial, railroad, public utility and municipal issues; bond sales; stock transactions; total corporate security issues; federal reserve member bank investment; industrial stock prices, data on failures in manufacturing, commercial and industrial concerns; values of construction contracts awarded; of building plans; figures on new orders, production and hours worked, and an index of bank deposit activity.

These series, Mr. Woodward said, have had over a large number of past

have had over a large number of past cycles a genuine predictive value at upper turning points. He added: "The majority of this set of signals had turned down by early 1946 and on the basis of the time lag which has previously prevailed, the United States should have had a downturn in business not later than early 1947. This signal given by the majority of these series has not been reversed. And so the warning provided by this approach stands."

As for the presence of soft spots in

As for the presence of soft spots in the current business picture, Mr. Wood-

CLEVELAND — Donald B. Woodward, 2nd vice-president of Mutual Life, said the next move ward specified these: The accumulation of business inventory; rapid expansion of consumer credit and mortgage credit, of consumer credit and mortgage credit, particularly in the residential field; the likelihood of diminishing foreign investment, which is one form of taking goods off the market; reports that we may now be close to the end of some of the large business capital expansion programs; curtailment of housing construction may be advisable because the number of units now being constructed exceeds the current rate of family formation, mortgage credit is becoming tighter, and many families have bought houses most unwillingly and not a few of these are likely to come on the market when these people find some housing that better suits their needs; wage rates are so high and so rigid that even a moderate decline in sales in some in-dustry could turn profit into a loss, compelling curtailment of operations and magnifying the effect of any weakness in demand; the present process of financing private investment is untenable in the long run. For about two years the demand for new capital in the corporate security and mortgage markets has been satisfied at current interest rates only by the purchase of a large volume of long term government obligations by the federal reserve banks to provide the funds to permit institu-tional and individual investors to absorb the securities and mortgages of-fered to finance investment. The nation is not saving enough for present levels

Cushioning Elements

Against these signs of a downturn, however, Mr. Woodward continued, are these cushioning elements: The money supply is larger in relation to the gross national product than at the upper turning points of the state ing point of any previous cycle since the

first world war; the unprecedented low level of interest rates is wholly dissimilar from conditions at previous points of cyclical downturn; the incentive to invest prevails—machinery has never been so cheap in comparison with labor costs, never before has the businessman, farmer, or home owner had so great an economic and financial motive to mechanize, and rarely has scientific development offered as much possibility for technological improvement.

Mr. Woodward added that the state

of expectations in this country, as measured by the stock market, is not high or excessive, as has frequently been the case at boom turning points. A further cushion, he added, is the likely rise in federal, state and municipal government expenditure on account of defense outlay and probably on account of expanded social services in 1949 and beyond.

Prudential Out of Low-Cost Housing

Prudential is staying out of the low-rent housing field until construction costs decrease sufficiently to make it costs decrease sufficiently to make it possible to earn a fair return on such investments, according to President Carrol M. Shanks. He said the shortage of housing that will rent for \$12 to \$15 a housing that will rent for \$12 to \$15 a room per month is a serious national problem and one that Prudential has studied long and carefully. However, the 1948 construction dollar will buy only 46 cents' worth of housing as compared to 1939 and Prudential cannot hazard the savings of policyholders by putting them into rental enterprises putting them into rental enterprises which the company knows cannot pay if built under existing conditions.

Mr. Shanks said that under present conditions Prudential believes it can

make its most effective contribution to the national housing problem by mort-gage lending, particularly to small home builders and owners, veterans and

COMMONWEALTH Commentary

LAND OF OPPORTUNITY

America is invariably referred to as the Land of Opportunity, and rightly so. But it is an undeniable fact that the opportunities knock most insistently at the door of the man who has a good education and financial reserves.

In exposing and filling the need of Americans for life insurance the professional life underwriters do a tremendous job in making America the Land of Opportunity in the fullest sense of the word.

As we enter a new year with its challenging conditions, its greater responsibilities, let's highly resolve that we will carry our message of financial security to more people than ever before and contribute more than ever before toward making America the Land of Opportunity.

Insurance in Force — November 30, 1948 — \$390,258,695

COMMONWEALTH LIFE INSURANCE COMPANY LOUISVILLE

N. W. National Dec. 31 Report Shows **Record Gains**

A record \$73 million gain in insurance in force, to a total of \$817,103,367, and an all-time high volume of new business, both ordinary and group, highlighted the annual report of Northwestern National Life. The report was released as usual on Jan. 1 and heads the parade of 1948 statistics.

The report showed assets of \$170,522,-035 compared with \$155,632,364 a year ago. The net rate of interest earned on invested assets rose to 2.74% compared with 2.64% in 1947. Reserves up to \$126,668,204, from \$115,593,were up to \$120,000,204, from \$110,093,355 the preceding year. Capital, contingency and other surplus funds total \$10,647,140, compared with \$10,182,544 a year ago. Premium income increased to \$21,770,139, from \$19,901,628 in 1947.

Biggest change on the asset side was due to the record volume of new home due to the record volume of new home loans during 1948, which resulted in a rise in holdings of first mortgage loans to a total of \$35,089,729, compared with \$23,936,826 at the end of 1947. The item of public utility bonds increased to \$31,606,597, from \$24,741,240, while holdings of U. S. Government securities were reduced to \$67,569,798, from \$74,045.567.

More Low Premium Policies Sold

Increasing price consciousness on the part of the public, combined with reductions in the costs of term insurance at the beginning of 1948, resulted in sharp increases in the proportion of low-premium policies—whole life and term premium policies—whole life and term—sold during the year, compared to sales of higher-premium or investment types of policies, according to President R. G. Stagg. At the same time, the size of the average policy sold increased 17% to \$3,959 in 1948, compared with \$3,385 in 1947. in 1947.

in 1947.

Sales of ordinary reached a new high, totaling \$77,442,495 in 1948 compared with \$74,620,096 in 1947. Group life sales were \$17,873,446, reflecting expansion in the company's group activities at the beginning of 1948, when coverage was broadened to include accident, sickness, hospitalization and surgical expenses. penses.

For the first time in several years, loans to policyholders reversed their decline and registered a modest gain, to \$6,457,984 as of Dec. 31. This figure was \$5,823,446 last year .The lapse rate continued virtually unabanged as loans to

was \$5,823,446 last year. The lapse rate continued virtually unchanged and remained far below prewar levels.

Total death claims paid during 1948 were \$4,424,254, and payments to living policyholders, aside from policy loans, were \$4,327,602, a total of \$8,751,856. This compares with \$7,882,053 paid in 1947

Appoint Committee Heads for L.A.A. Eastern Meet

Committee chairmen for the 1949 eastern round table of the Life Insurance Advertisers Assn. are Robert M. Mac-Gregor, Phoenix Mutual; Charles R. Gregor, Phoenix Mutual; Charles R. Corcoran, Equitable Society; Joseph R. Treusch, United States Life; August C. Hansch, Mutual Benefit; Robert Durham, Metropolitan Life; Sid Shaul, Colonial Life; Morgan S. Crockford, Excelsior Life; and F. L. Cooper, New York Life. The meeting will be held in New York City March 17-18.

Seek Iowa Recodification

DES MOINES-Insurance Federation of Iowa will sponsor a bill at the coming session of the legislature to set coming session of the legislature up a committee to recodify the Iowa insurance laws, it is announced by Philipsurance laws, it is anno Jester, president of the federation. Rob-ert Colflesh has been named chairman of a committee to obtain passage of the bill.

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WASHINGTON — National labor relations board has decided in the Prudential case that all its industrial agents in 31 states constitute a single unit appropriate for purposes of collective bargaining. Prudential had requested determined to the control of the cont

gaining. Prudential had requested determination of the appropriate unit or units within a 31-state group.

The board has ordered that an election be conducted on Jan. 29 among these employes to determine whether or not they desire to be represented in collective bargaining by the National Federation of Insurance Agents (Council, AFL (otherwise known as the Industrial & Ordinary Insurance Agents Council), or by the International Union of Life Insurance Agents, or by the United Office & Professional Workers of America, CIO, or by none of them.

Provisions of Order

The order is conditional upon full compliance with provisions of the Taft-Hartley law requiring union officials to file non-Communist affidavits, and with registration and reporting requirements of the act, by each local union of the three organizations above named which individually, or jointly with such international union, engage in collective bargaining in behalf of Prudential's industrial agents in the 31 states named, as follows:

trial agents in the 31 states hamed, as follows:

Alabama, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Utah, Vermont, Washington, South Carolina and West Virginia.

The board's decision and order were issued in a number of consolidated cases where complainants were the National Federation and/or International Union above named. All complaints are dismissed. One union sought certification by NLRB as bargaining representative in certain states, another in other states.

Motions Are Denied

Motions Are Denied

Motions Are Denied

UOPWA was permitted to intervene after complying with certain provisions of the law, but its motion to remand the cases for further hearing was denied. Prudential's motions requesting opportunity to show that compliance of UOPWA was not bona fide, also were denied. Denial was based on the ruling that determination of compliance by a union with the act is an administrative matter determinable by the board.

I.U.L.I.A. NEGOTIATIONS

MILWAUKEE - Negotiations be-tween Prudential and the International tween Prudential and the International Union of Life Insurance Agents, which covers Wisconsin and several nearby states, are under way. There is wide-spread interest in the outcome, as many feel that what is done will set the pattern for negotiations in the remaining states in which Prudential industrial agents have union representation.

Schedule Speakers for L.I.A.M.A. Atlantic Grads

The following speakers will carry out the theme of security in agency building for the annual meeting of the Atlantic alumni of the L.I.A.M.A. schools at Philadelphia Jan. 18:

Ralph H. Rice, Jr., Philadelphia general agent of Prudential; Gordon K. Harper, Philadelphia manager of Phoenix Mutual; Arthur H. Dalzell, coordinator of sales promotion for John Hancock; M. Albert Linton, president of Provident Mutual; Charles J. Zimmerman, associate managing director L.I.A.M.A.; E. J. Moorhead, executive vice-president U. S. Life; Lewis W. S. Chapman, director of service and company relations of L.I.A.M.A.

Virgil Samms on Purdue Faculty

Purdue University has appointed Virgil W. Samms as assistant director of the life insurance marketing course.

He was some years ago assistant superintendent of agencies of the Mutual Benefit Life, New Jersey, then its general agent in In-dianapolis. He re-signed and volunteered for service in the second world war. Following his discharge as a lieu-



tenant-colonel in the air corps, Mr. Virgil W. Samms Samms was connected western Mutual in Boise. connected with North-

Second Mail Order TPC May Be in March

WASHINGTON-Tentative arrangement is that the second mail order in-surance industry trade practice confer-ence will be held in March. However, some officials doubt that all the neces-sary spadework can be done by that

sary spadework can be done by that time.
Following the second conference it is planned for representatives of National Assn. of Insurance Commissioners to meet again with FTC officials. Some of the latter would have preferred to have had such a joint meeting held before the second T. P. C., so that there would be opportunity to consider and attempt to reconcile the views of FTC attempt to reconcile the views of FTC

and N.A.I.C. before submitting revised mail order rules to the T. P. C.

In connection with the understanding of insurance industry observers that N.A.I.C. in effect recognized certain areas of FTC jurisdiction at the joint meeting last month, officials say it is impossible to define exactly boundaries of respective FTC and state jurisdictions, where states have fair trade practice laws. Each case must be considered individually, it is claimed.

Strict reservations were made at the joint conference, it is stated, as to the respective FTC and state rights and jurisdictions, and neither side was to be bound 100% by any tentative understanding that may have been reached. In view of the resignation of Chairman Freer and the absence of Federal Trade Commissioner Ferguson abroad, leaving present only three members of the commission who will serve this year, they decided "not to choose a chairman until all members are present." Meantime, the 1st vice-chairman, Commissioner Lowell Mason, will serve as acting chairman. ing chairman.

Ill. Federation Rally Feb. 1

The annual meeting of Insurance Federation of Illinois will take place at a luncheon at the Congress hotel, Chicago, Feb. 1. The program is being arranged by Ray Wetterlund of Washington National, the president, and by L. D. Cavanaugh, Federal Life, first vice-president

L. D. Cavanaus., vice-president. John P. Keevers of Maryland Cas-ualty is chairman of the nominating ualty is cl committee.

The executive officers held a meeting to plan for reorganizing the advisory council of the federation.

Open Office at Jackson

The Mutual Benefit H. & A. and United Benefit Life have opened a district office at Jackson, Tenn., with A. W. Crenshaw as district manager.

State Mutual Over Billion-Dollar Mark

Four-ten p.m. Dec. 31 was a dramatic moment at the State Mutual Life home



e Mutual Life home office for it signalized the achievement of the company's goal of "a billion straight in '48."

The news was officially announced at a meeting of the entire home office staff in the company's auditorium Monday. While the final figure will not final figure will not

G. A. White in the announced until the annual policyholders meeting on Feb. 8, it was definitely assured at the year end that the company had passed this important and intensively sought milestone.

Tribute to Field Force

In addressing the employes, President George A. White paid tribute to the aggressive work of both the ordinary and group field forces and congratulated and group field forces and congratulated the entire personnel on the achievement. He said that while State Mutual is an old company it has never been one to rest on its laurels, that though it has a deep respect for its heritage some of its greatest progress has been during the last decade. He pointed out that its insurance in force, one of the most accurate measurements of growth, has increased more than \$400 million during the last 10 years while in-force gain during the last five years has exceeded 50%. The number of employes in the home office is now 60% more than in 1943.

Telegrams were sent to company agencies throughout the United States telling them that the billion-dollar objective had been reached.

Ark. Political Writers Scan Commissioner Arena

LITTLE ROCK—The Arkansas "Gazette," Little Rock, in its last Sunday's edition in a political story on the insurance commissioner's office said that "Commissioner Jack McKenzie has kept his mouth discreetly shut while he patiently waited word from the top. The top—in several versions—finally sifted. Most reliable version a few weeks ago was that Mr. McKenzie would not be around, that the appointment had been made. Mr. McKenzie's friends went to work. They didn't completely change Mr. McMath's mind, but temporarily at least, they shook his decision and delayed his announcement."

"Mr. McKenzie waited in silence" the Gazette piece continued. "Meanwhile, legislators tried to talk with him about proposed insurance legislation and departmental changes. Mr. McKenzie politely refused to discuss them on the premise it would be presumptuous to recommend something somebody else might be held responsible for. He got tired waiting last week and started word sifting from his end. Mr. McMath (governor elect) now knows that Mr. McKenzie won't take the appointment if it is offered. Mr. McKenzie has an 'offer' and it's a good one. Now Mr. McMath must underwrite his original choice or undertake consideration an 'offer' and it's a good one. Now Mr. McMath must underwrite his original choice or undertake consideration of a new 'candidate' whose name was entered by insurance men shortly after it was learned the governor-elect was wavering."

The rumor was extensively circulating after the election that the appointment would go to J. H. Graves, former commissioner and now Arkansas manager for Kansas City Life.

Get Examined

James H. M. Partington, a member of the Penn Mutual's Carr R. Purser Agency in New York City, says:

"The difficult time is when he wants to 'think it over' or 'talk it over with his wife' etc.

"How can this be overcome? The prospect knows he needs additional insurance—that I have shown him already, so I say 'there's no question that you need additional protection, is there? It is the question of the amount that is the only doubt in your mind. I want you to think that over very carefully-it's terribly important, and we'll talk about it later. How much or how little insurance you take out now is not what I'm concerned about. I want to see what type of insurance you can qualify for, then we can know what we are talking about, and what is available to you. You're going to take out some life insurance next year, or the following yearin the meantime, you're not taking the risk-your wife is."

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON

INDEPENDENCE SQUARE, PHILADELPHIA

XUM

N. W. Mutual's 1948 Bond Investments at 1-4% Higher Rate

NEW YORK-Northwestern Mutual's 1948 bond investments were made



relatively small portion of assets and therefore the future over-all rate of return cannot be expected to rise rapidly but the trend is encouraging.

encouraging.

Old bond investments called, matured or disposed of were reinvested at rates which yield about \$1 million additional annually.

Another encouraging fact which Mr.



FOR 35 YEARS WE HAVE PERFORMED 3 MAJOR FUNCTIONS FOR THE LIFE INSURANCE BUSINESS.

(1) R&R constantly previews sales, sales management, and sales training ideas not only from the life insurance field but also from the field of general selling. From these we draw out the best and present them to our Members in readily adaptable form.

(2) R&R conducts constant research into basic economic conditions to find trends that will make tomorrow's markets. To fit those trends we create sales and sales training plans that put our Members months and sometimes years ahead of others in the business.

(3) R&R, the pioneer by many years in organized training courses for life underwriters, has prepared, and administers when desired, an integrated series of sales training courses ranging from introductory through intermediate to advanced underwriting levels. All are institutional in nature. R&R Members are those who subscribe to one of the three membership services: Management Plans, Advanced Underwriting, Weckly News Review Digest.

IF YOU ARE NOT FAMILIAR WITH THE MANY ADVANTAGES WHICH CAN BE YOURS — AS AN AGENT, GENERAL AGENT, MANAGER, OR HOME OF FICE EXECUTIVE—THROUGH AN REW MEMBERSHIP, WE WILL BE DELIGHTED TO RECEIVE YOUR REQUEST FOR THE DETAILS APPLICABLE IN YOUR CASE.



Fitzgerald pointed out is that the mortgage loan account grew faster than the bond account, bringing desirable diversification and a somewhat higher interest rate. Residence loans almost doubled. Investment real estate increased slightly but the company is not pursuing this development extensively now.

Policy loans and premium loans made

Policy loans and premium loans made modest increases, their small rise continuing to reflect the availability of purchasing power and premium paying capacity, Mr. Fitzgerald said.

The total effect of investment trans-

The total effect of investment transactions resulted in a slight increase in the net rate of interest earned during the year, the 1948 rate being higher by several hundredths of 1% than the 1947 rate of 30.1%

1947 rate of 3.01%.

Mortality for 1948, while estimated to be slightly higher, will still be close to the outstanding record of 1947. The rate of voluntary terminations, while up, continued favorable in 1948.

up, continued layorable in a control of Northwestern's, increased in dollar amount as a result of the volume of business and price advances but expense per \$100 of premium income has been held in line and it is the company's objective to keep on demonstrating favorable results from efficiently conducted operations.

Other figures, — income, disbursements, assets, total business in force, etc., naturally show gains over the past. Total assets reached over \$2½ billion. Insurance in force passed \$5.7 billion.

Sees Contingency Reserves Boosted

Mr. Fitzgerald said the over-all result of these operations after additions to required and optional reserves and after adjustments required by the commissioners' valuation formula applied to preferred stocks will indicate an addition to general contingency reserves.

Mr. Fitzgerald, discussing recent publicity on the size of life companies, investment practices, alleged degree of economic control, and questions of competition discussed these points, not in a defensive spirit, he said, but because life insurance has a great story that is not always understood, and agents should be prepared to answer questions from people who inquire about such matters.

As for life insurance's size, Mr. Fitzgerald said that life insurance is but one of many large industries and that people sometimes fail to realize the physical and economic size of this country. The population is about 147 million today, having increased in eight years by more than 16 million, or a greater number than live today in all Canada. National income has more than doubled during those eight years and life insurance premium income is just about keeping pace in proportion, namely 3% of national income.

RESULTS OF SERVICE

Mr. Fitzgerald emphasized that size has resulted from service and not because it was an end in itself. Each company is a reservoir of small states, a lot of little businesses tied together.

As for accusations that the life insurance industry makes investments on a selfish basis Mr. Fitzgerald pointed out that actually the policyholders' savings are dollars at work in productive jobs that make for "a better America for us all."

As for economic control, he pointed

As for economic control, he pointed out how the companies have studiously avoided this and when temporarily drawn into it, as in the railroad organizations in the '30's got out as rapidly as they could while at the same time doing an unselfish job for the benefit of all creditors.

Regarding competition, Mr. Fitzgerald said that there is the most intense competition for business, investments, agents, home office personnel, and in areas of insurance practices.

Discussing policyholder relations, Mr. Fitzgerald had a good word for the Institute of Life Insurance's campaigns

and said that Northwestern's own current campaign is of additional help in bringing the story of life insurance to the American people. The company also has a policyholder relations committee, with representatives from the various home office departments engaged in trying to suggest channels of improvement where practices may be unnecessarily burdensome.

As he concluded, he announced that a new policy loan procedure had been adopted by which the company does not retain loaned-on policies, but returns them endorsed, to the policyholder. Nor need a policy be sent to the home office when a loan is made.

W. E. Cadwell Retires Five Others at N. Y. Life Home Office Promoted

Willis E. Cadwell, "Nylic" registrar of New York Life, has retired after more than 48 years of service. Ray H. Martin, assistant contract registrar, will; succeed him and in turn will be succeeded by R. R. Anspach.

Mr. Cadwell started as a clerk in the Detroit branch, later serving as cashier in Erie and Reading. In 1908 he went to the comptroller's department and in

Mr. Cadwell started as a clerk in the Detroit branch, later serving as cashier in Erie and Reading. In 1908 he went to the comptroller's department and in 1915 was appointed chief of the commission division. He went to the agency department in 1932 and was appointed Nylic registrar in 1933. Mr. Martin joined the company in 1905, soon being transferred to the agency department and later assigned to the contract division. He has been assistant contract registrar since 1943. Mr. Anspach joined the company in 1920, soon afterward transferring to the contract division.

Three Are Advanced

Frank T. Bingham, Herman H. Dircks and Leonard K. Pfiffner have been appointed assistants to the director of the division of branch office administration. Mr. Bingham has been transferred to San Francisco. He has been with the company since 1925, starting as a clerk in Seattle and becoming an agent there 12 years later. In 1942 he was transferred to the home office auditing department. On returning he transferred to the agency department. Mr. Dircks joined the company in 1908, serving in the policy loan department and the premium collection department until 1927, when he went to the agency department. Mr. Pfiffner joined the company in 1927 as a clerk in St. Paul and later was transferred to Milwaukee. He was appointed cashier in 1941 at Pittsburgh and in 1946 became cashier of the Massachusetts clearing-house branch at Boston. He went to the home office last March.

Phoenix Promotes Besser

Phoenix Mutual Life has promoted Russell W. Besser to associate manager in the salary allotment department. His headquarters will continue to be at the Western Electric plant at Kearny, N. J.

Rumor Hershey Slated to Be Ill. Director

The latest rumor and one that is being given considerable credence in the matter of who is to be the new Illinois insurance director names Harry B. Hershey of Taylorville.

Hershey of Taylorville.

Mr. Hershey was attorney for the liquidation bureau of the Illinois insurance department from 1932 until 1940 under a former Democratic administration and in the latter year he was Democratic nominee for governor. He is a successful farmer and lawyer and was one of the principal leaders in the successful campaign of Adlai Stevenson for governor.

governor.

There have been a dozen or more possible appointees mentioned in Illinois and it is believed that as many as that have been brought officially to the attention of the new governor. Mr. Hershey had previously been publicly mentioned as a possibility for appointment on the Illinois commerce commission.

According to the reports that are going around, Mr. Hershey would not intend to remain as insurance director indefinitely. He would superintend the reorganization of the department and would carry on until a permanent appointment was decided upon.

Cal. Legislative Program

LOS ANGELES—J. R. Maloney of the California department has sent out to a select list a statement of the legislation which the department intends to sponsor at this time.

The commissioner wants a ban placed on any further conversion of stipulated premium mutal life companies into stock life insurers.

The department wants a minimum benefits and coverages law tor A. & H. insurance. Control is desired over the payment of "excessive" dividends on group insurance to the employer or master policyholder. A law is wanted to prohibit payment to adjusters that are contingent upon the amount of settlement

There is desired a law to prohibit inclusion in permanent disability claim settlements any agreement that results in forfeiture of life policy benefit.

The insurance commissioner wants the power to issue cease and desist orders against specific types of improper insurance advertising.

K. C. Life Names E. E. Brown Cincinnatii General Agent

Kansas City Life has appointed Edwin E. Brown as general agent at Cincinnati. He has been in life insurance nearly 18 years except for service in the navy He joined Kansas City Life in 1938 and returned to the Cincinnati agency in 1946 on leaving the service.

THIS IS PROGRESS

In 1945 The Union Labor Life Insurance Company had \$100,000,000 Insurance in Force.

On October 1, 1948 this figure was registered at \$201,089,482—SAFE, SOUND PROGRESS—underwritten by strict old-line methods, yet, a 100% GAIN IN JUST FOUR YEARS.

It's incredible, but it's true.



The UNION LABOR Life Insurance Company 570 Lexington Ave., NY 22, NY

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Life Mutual attained R. Mack Boston-S

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Lynch Heads New L.I.A.M.A. Section

L.I.A.M.A. has approved establishment of a public relations section in which will be centered production of all publications, and Donald E. Lynch has been appointed the head. His responsibilities include publicity, agency public relations, publications and the "Manager's Magazine." The new section is assigned to the institutional relations division, of which Mr. Lynch has been made assistant director. He formerly was supervisor of press relations.

William P. Stowe, editor of "Manager's Magazine," and Marion E. Linde, editorial assistant, have been transferred to the public relations section. Goldie Dietel, publicity assistant, recently joined the new unit, replacing Jean McRae, resigned.

Editorial work on research reports leave will be done in the new section but

resigned.

Editorial work on research reports also will be done in the new section, but writing and preparing booklets and other publications will continue to be done by specialists in various divisions.

Had Wide Experience

• Had Wide Experience

Mr. Lynch went with L.I.A.M.A. in 1946 to establish a publicity section, and to do promotion, advertising and agency public relations work with member companies. He is the author of "It's Up to You," a public relations booklet for agents; editor of the bi-monthly "Public Relations" supplement of "Manager's Handbook," and is editor of "Agency Management Review," a quarterly publication devoted to association work. He also conducts the "Worth Noting" column in "Manager's Magazine."

Before joining the association, he was a Washington correspondent for a newspaper group and previously was an As-

a Washington correspondent for a newspaper group and previously was an Associated Press editor and at one time a feature writer for the Chicago "Sun."

Mr. Lynch is a graduate of Marquette University, 1935. In the war he served in the navy, being discharged as a lieuterant companyed.

tenant-commander.

Suggest All-Private UCD Plan for New York State

Dispatches from Albany indicate that one proposal now being regarded favorably to provide unemployment compensation disability in New York state is to require employers to carry insurance coverage for employes either in private insurers or as self-insurers. This would substitute for a proposed state operated disability insurance plan and would substitute for a proposed state operated disability insurance plan and would avoid the necessity of imposing any new payroll taxes on employers or employes, or both. The proposal would provide the employe while ill at least as much as he could get in unemployment insurance if he were well. Insurance interests, according to the dispatches, have indicated willingness to underwrite all of such risks.

cated willingness to underwrite all of such risks.

A change in the law would be required to lower the minimum number of employes from 25 to 4 for the group coverage. One advantage claimed for it is that it would interfere the least with existing sickness compensation programs and would enable employers to buy coverage that is applicable to their type of employment without legislative action. A problem would be to determine liability in case of a workman who gets sick ity in case of a workman who gets sick after he has lost his job, and a suggestion has been made that insurers contribute to a pool to finance such payments.

As the legislative session gets under way, it is apparent that some form of unemployment compensation disability will be put through this session.

Has 10 New Life Members

Life membership in New England Mutual Life's Leaders Assn. has been attained by 10 more field men: Kenneth R. Mackenzie and E. Lester Goodrich of Boston-Summers; George H. Gruendel, and Paul A. Hazard, Jr., of Chicago-Fowler; Samuel M. Barg and Henrikas Rabinavicius of New York-Huppeler; Selby L. Turner, New York-Corwin;

Richard A. Mills, Los Angeles-Payton, Dunn & Bare; Henry A. Hirsh, Wash-ington, and Rolla R. Hays, Jr., Los Angeles general agent. To qualify, at least \$500,000 of new in-

surance must have been written in five out of the last seven years.

N. J. Council to Elect

Life Insurance & Trust Council of North Jersey will hold its annual meet-ing at Newark Jan. 20.

Chris Gough Fills in as No. 1 Man

NEWARK — Gov. Driscoll of New Jersey has appointed Insurance Commissioner John J. Dickerson as New Jersey state treasurer. The position of insurance commissioner may not be filled for some time. In the interim the post will be held by Deputy Commissioner Christopher A. Gough.

Oliver A. Williams, Prudential district manager at Portsmouth, O., has retired. Mr. Williams joined Prudential 25 years ago at Chillicothe and in 1929 was made assistant manager in Portsmouth. He was named manager in 1939.

Lamar Life has announced that be-cause of the vast amount of work in-volved and other circumstances beyond the company's control the new rate book and policy forms could not be ready for release Jan. 1 as planned.

"I'm on my way to establish new records in 1949 with my brand new Mutual Trust Life Agency Contract". -JEROME O. WARE Milwaukee General Agent

- 1. SUBSTANTIAL ALLOWANCE to general agents for recruiting and training new men.
- 2. A NEW INDIVIDUAL AGENT'S CONTRACT to attract and hold high calibre men under which average earnings are increased up to 30% depending upon quality of business and length of
- 3. STABILIZED LIFE-TIME EARNINGS for both general agents and agents . . . favorable vesting . . . persistency allowance . . . AND a substantial increase in pension income upon retirement.
- 4. A COORDINATED HOME OFFICE training program for new men.



Stabilized life-time income including persistency credits.



Favorable total disability, death and termination vesting benefits.



Adequate pension checks plus persistency credits when you retire.

A Few General Agency Openings Are Available For Qualified Men-Write Manager of Agencies For Information Regarding Your Locality.

MUTUAL TRU
LIFE INSURANCE COMPANY
"As Faithful as Old Faithful"

Home Office: 135 South La Salle Street

Chicago 3, Illinois

A 44 Year Old . . . Low Net Cost Company . . . With Over \$350 Million in Force . . . and Over \$100 Million in Assets

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Labor to Drive for **Benefit Programs**

Group Writers Expect Boom from Package Protection Demands

NEW YORK — Labor leaders countrywide are expected to place great emphasis on an immediate drive for increased group insurance protection, a splurge of articles in daily newspapers and business publications indicates. Most of the reports are based on interviews and business publications indicates. Most of the reports are based on interviews with leaders of large unions such as Philip Murray, head of United Steel Workers, C.I.O., and United Automobile Workers, C.I.O., under Walter Reuther. The ideas of these men are expected to influence the demands of other unions during the year.

With labor leaders determined to make 1949 an employe benefit or "wel-

fare" year, group insurers expect a boom in demand for their product. They also anticipate sizable increases in present

group schedules.

Labor emphasis will be placed on package programs to include pensions,

life, accidental death or disability, and sickness and hospitalization protection.

The election results gave unions carte blanche authority to push for welfare programs, labor leaders feel, and they anticipate being able to demand them in much more favorable atmosphere than they had last year. They expect a much freer rein as soon as the Taft-Hartley act is revised and are relying upon Congress to do that in a few weeks. Labor also expects the Supreme Court to up-hold the Inland Steel decision of the circuit court of appeals which agreed with the national labor relations board rul-ing that employers may be compelled to bargain collectively on benefit programs or risk being charged with unfair labor practice.

Pressure for these programs is planned regardless of the outcome of federal or state legislative proposals calling for broadened social security, health, or dis-

ability and sickness compensation.

The U.A.W. leader stated that his union has established a beachhead in the field of social security and is now serving notice on employers that ade-quate health, medical, hospitalization, and pension programs are not so-called fringe issues. They are basic, he de-

Group company officials and consultants note less fist waving on the part

of unions and signs of greater maturity in viewpoint. The great growth of un-ions has led many of them to employ personnel with excellent educational background and broad experience. These men are well qualified to present the unmen are well qualified to present the union viewpoint. Many unions have retained economists, time saving engineers, actuaries, lawyers, and insurance consultants to prepare their request on technically sound bases. Improved union financial strength has put an end to the era when only big business could employ high priced research and legal consult. high-priced research and legal consult-

Will Aid Group Producers

Despite occasional disagreements with Despite occasional disagreements with unions over the methods of writing a plan, group writers expect the union demands to help greatly on the sales side. The employer-prospect will be solicited on both sides for group coverage, the unions giving full support to the group man's sales presentation. More employers are inquiring about coverage on their own initiative, some stating they wish to own initiative, some stating they wish to be prepared when their employes ask for the protection, others wanting the psychological advantage of broaching the plan to employes before they ask for it on their own. Companies also cite the fact that many of their post-war trained group producers and salaried staff men are now better trained and experienced and consequently vastly more efficient in their sales efforts.

falo for National Life of Vermont, is a member of the 1950 convention committee.
S. Kendrick Guernsey, executive vice-president of Gulf Life, is a director of Rotary International and a trustee of the Rotary Foundation. Mr. Guernsey was president of Rotary in 1947-48.

Badger on Panel

Sherwin C. Badger, 2nd vice-president and financial secretary of New England Mutual Life, is scheduled to take part in a panel discussion of sources of funds for current and future capital requirements the afternoon of Jan. 21 at Hotel Statler, New York City, in connection with the finance conference of the American Management Assn.

Bellack Talks to Kiwanis

Life insurance is taking money out of people's pockets and holding it for future delivery, and as such has a tremendous impact on the nation's economy, Willard B. Bellack, general agent of Lincoln National Life at Appleton, Neenah and Green Bay, Wis., told Neenah Kiwanis Club. He emphasized that the billions paid in life premiums have had a definite part in tempering inflation. inflation.

Y-SECOND YEAR

"GOIN" PLACES"

EXPANDED TERRITORY OF OPERATION

(Four new states, California, Colorado, Minnesota, Delaware, added in past eighteen months)

 AGGRESSIVE DEVELOPMENT OF OLD AND **NEW TERRITORY**

(Fourteen new general agency appointments in two years)

- MODERNIZED BASIS OF AGENT'S COMPENSATION
- COMPLETE INTRODUCTORY AND ADVANCED TRAINING PROGRAMS FOR AGENTS
- EFFECTIVE—AND PROVED—SALES AIDS AND SALES PLANS
- ENLIGHTENED AND ENTHUSIASTIC HOME OFFICE AGENCY COOPERATION

A half dozen Bankers Life points that mean "opportunity" for Bankers

Ask any Bankers Life of Nebraska man what HE thinks about HIS future, and you'll see what we mean.

Home Office Lincoln, Nebr.



Association Group Ban Seen as Ill. Legislative Target

There is expected to be pressure brought upon the Illinois legislature this year to remove the prohibition against the writing of life groups on associations of employers. At present in Illinois, life groups are permitted on associations of employes only and casualty coverages may be written on both employers and employer associations. Illinois life in the property of the pro ployers and employes associations. Illinois Bankers Assn. representing most of the banks, wishes to have group life coverage, and is expected to throw its considerable weight for removal of the

ban.

The insurance companies will probably take a neutral stand on the matter, but many group men feel they have been handicapped unfairly by the prohibition on the writing of employer

Expense Committee Meets

The 14-man committee of Life Insur-The 14-man committee of Life Insurance Assn. of America studying recommendations for revision of section 213 of the New York insurance law which limits company expenses met Thursday at association headquarters in New York City. James A McLain, president Guardian Life, head of the committee, presided at the session, which was called to develop suggestions for revision of the statute. sion of the statute.

Insurance Men in Rotary Offices

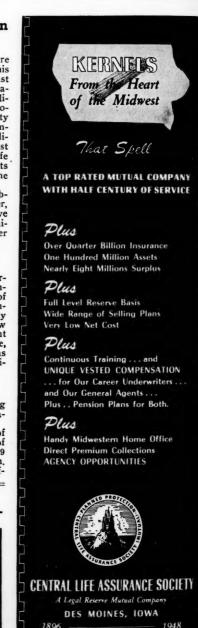
Three life insurance men are serving as 1948-49 officers of Rotary Interna-

William C. Schuppel, chairman of Standard Life of Oregon, is governor of the 102nd district which includes 39 clubs in Oregon and part of Washington. Arthur L. Beck, general agent at Buf-

Now a V.-P.

Thomas A. Bradshaw, whose election as vice-president and general counsel of Provident Mutual Provident Mutual
was reported in last
week's issue, is a
graduate of University of Colorado and
practiced law for a
time in Fort Collins.
He entered Provident Mutual's legal
department in 1930.





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Some Interesting Problems

Private Placements Pose

The practical problem that concerns the life people and insurance commissioners in connection with private placements is how to value this type of debt investment. It would be unrealistic, company management believes, to place any restriction on the method per se.

The valuation of other securities is covered by state law or interpretive rulings by insurance departments. But the two tests used with these, rating or amortized cost, can't be applied to securities privately placed. It is admittedly unfair for a company not to mark down such securities if they are low in quality, under circumstances that call down such securities it they are low in quality, under circumstances that call for marking down of public bonds of good quality. On the other hand, the privately placed security can be regarded as a mortgage which is not required to be rated. Companies make mortgages right along on property where they might instead privately place a security, and no one would question the mort-

Should Get as Good a Break

But the life people generally seem to think that privately placed securities should not be treated better than rated bonds, even though, if such securities are not in default and other conditions are favorable, they are probably entitled to no worse treatment than a mortgage. What the industry has in mind, of course, is a time in the future when economic conditions are not as favorable as today. What happens to privately placed securities at that time will depend pretty much on whether precautions taken when the securities were placed prove to be the safeguards they were designed to be.

placed prove to be the safeguards they were designed to be.

Although privately placed securities are of all sizes, in general the bulk of them are made with larger concerns that constitute a highly conservative list of borrowers. For the most part the firms are large and their credit is high. The insurance departments have practical need for a rule of thumb, some guide that can be used when examina-

guide that can be used when examinations are being made.

Could Be Administrative Burden

The question has been asked, should the insurance department have a big staff of analysts, or should the companies work out some system of analyzing the privately placed securities values so that the department then could simply put on a lower value where it believes that such a lowering of the value is justified? Actually, some departments now have the power to do this. It is believed it would be more practical if rules were worked out that would not necessitate insurance departments setting up a large staff, which would place on them a heavy administrative load. The question has been asked, should

would place on them a heavy administrative load.

Could a rule be promulgated that would produce a better result than at present? The financial business is so complex that rules are hard to lay down. Life men emphasize that it is impossible to foresee all contingencies. It might be dangerous to try to do so. Actually the result might affect com-It might be dangerous to try to do so. Actually the result might affect companies so as to produce a worse condition than would otherwise have obtained. Broad general restrictions are satisfactory, such as the prohibition against loaning more than two-thirds of the value of the real estate. Companies uniformly are more conservative than the law or rule. In the end it comes back to the judgment of officers and the confidence of the public in life companies, which was never shaken, even in the worst depression the country has ever had.

ty has ever had.

It is recognized that what the New York department does will have great influence. That department has raised the issue, in a general way, and an industry committee is studying the entire

subject of security valuation. The procedure of the present New York department is to raise an issue, give it to the industry, let the industry work it out, discuss it and thus produce an

The insurance people do not think

there should be any more restrictions on privately placed securities than on other investments. Those not familiar with finance are disturbed because such se-curities are not registered with the se-curities and exchange commission. This is sometimes erroneously taken to mean that they are not secured, even that they are "secretive" because they are "private," and some uninformed people fear that because there is a direct ar-rangement between the purchaser and the insurer that the purchaser gets bet-ter terms than he might in a public

offering. Others fear that under these circumstances the purchaser does not get as good terms. Of course, no life insurer is going to give away its assets. The fear also has been expressed that life companies are interlopers in the investment banking function, that private placements take a commission away from the investment banker, and that in fixing terms—the rate, maturity, etc.—the banks are experts but the life insurance companies are not.

These criticisms are not regarded as

These criticisms are not regarded as (CONTINUED ON PAGE 24)

pens It's Books on 1948

was again one of the best years in the history of the Standard Life Insurance 1948 was again one of the best years in the mister, of the excellent. Growth, for Company. The Company's financial position was excellent. Growth, for one of the nation's leading smaller companies, was kept on an even keel with steady, sound gains being made in assets, surplus and insurance-in-force. New territories were opened during the year and everywhere Standard Life agents offer policyholders "big company security . . . small company personal service."

> ADMITTED ASSETS \$ 7,460,022.93

INSURANCE-IN-FORCE: \$52.014.879.00

Climaxing Fourteen Years of Progress

FINANCIAL STATEMENT-DECEMBER 31, 1948

Assets	Liabilities
First mortgage real estate loans \$2,468,692.52 Bonds—Amortized value 2,421,450.44 Preferred stocks—market value 654,295.00 Home Office Building—market value 369,673.96 Real estate under amortized lease 133,000.00 Policy loans 95,244.06 Annuity loans 950,124.00 Cash in banks and on hand 89,879.16 Net premiums deferred and uncollected 252,151.69 Accrued interest receivable 39,025.87 Other assets 3,317.87	Legal reserve for policyholders
Total\$7,476,854.57	Surplus
Deducting agents' credit balances 16,831.64	vestment values
Total Admitted Assets	Capital paid up

GENERAL AGENCIES OPEN IN Arkansas . Arizona . Florida Illinois • Indiana • Kentucky • Louisiana • Maryland • Michigan Missouri • New Mexico • Pennsylvania • Texas • West Virginia

- Harry V. Wade PRESIDENT

STANDARD LIFE INSURANCE COMPANY

Harry V. Wade, President

OF INDIANA

Indianapolis, Indiana

Investment Seminar to Be at Beloit

The 1949 Life Officers Investment Seminar will be held at Beloit College, Beloit, Wis., opening the morning of June 14 and continuing through June 25. Marshall D. Ketchum, associate professor of finance, University of Chicago school of business, has been appointed

Although the 1949 seminar is to be held at Beloit College, it will continue to be jointly sponsored by the American Life Convention, through its Financial Section, and the University of Chicago.

Dr. Ketchum served as associate di-

Dr. Ketchum served as associate director of the 1948 seminar. He succeeds Willard J. Graham, professor of accounting at the Chicago University school of business. Dr. Graham said he would be unable to assume definite responsibilities in connection with the seminar this year but he and Dean seminar this year but he and Dean Garfield V. Cox of the school of business will aid Dr. Ketchum in the development of the 1949 curriculum.

Beloit College is about 100 miles northwest of Chicago, just across the Wisconsin state line. The campus borders the Rock river, which, at that

point, broadens out so that it almost forms a lake. Members of the seminar will be housed in a modern, post-war dormitory.

Golf, tennis and swimming facilities will be available during the limited time alloted for recreational activities. As in alloted for recreational activities. As in past years, the seminar program will be directed primarily to ranking investment officers who have an active part in for-mulating investment policies of their companies. The highly intensive review and discussion of current economic and financial trends will include 50 or more lectures and lengthy daily discussion

Registration is open only to invest-ment officers of A.C.L. companies,

Holds Disability Insured

The Texas court of civil appeals has upheld a trial court decision in favor of the beneficiary of an insured whose total disability resulted from a com-bination of heart disease and cancer. The court pointed out that though the insured had heart trouble at the time of the policy's issuance, as contended by the insurer, the proximate cause was cancer, without which there would have been no real disability. The case is American Casualty & Life vs. Butler.

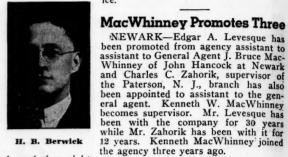
Names H. B. Berwick Mutual Benefit

H. Bennet Berwick, assistant gen-ral agent at Grand Rapids for Mutual

Benefit Life since 1946, has been named general agent at Rochester, succeeding John A. Erskine, now general agent in Pittsburgh.

Mr. Berwick has been with Mutual Benefit since 1945 when he became when he upervisor at Panids. He Grand Rapids.

Grand Rapids. He has been in life insurance since 1920
serving first with
Mutual Life of Canada and then eight years with the Montreal branch of Manufacturers Life. In 1929 the later convenience of the later of the state of the later of the state of th ter company appointed him supervisor of field service at its home office, which position he held until joining Mutual Benefit.



Fills Roanoke, Boise Posts

the agency three years ago.

Jefferson Standard has appointed R. D. Carson, Jr., manager at Roanoke and W. H. Daniel manager at Boise, the latter appointment being effective Jan. 15. Mr. Carson has been with the company since 1937 except for military service. Mr. Daniel joined the company in 1946 after army service and has been head of the St. Petersburg district office.

Dr. Bishop has been assistant medical director. He joined the company in 1946 following army service. Mr. Rives, a graduate of Davidson College, has been manager of the policyholders service department. He has been with the company since 1934 except for military service.

MacWhinney Promotes Three

NEWARK-Edgar A. Levesque has

Myrick Honored as Agency Co-Founder

The Richard E. Myer agency of Mutual Life in New York City paid tribute to its predecesor, the Ives & Myrick agency, and that agency's co-founder, Julian S. Myrick, at a luncheon marking the 40th anniversary of the establishment of the Ives & Myrick agency. Mr. Myrick, 2nd vice-president of Mutual Life, was guest of honor. More than 90 of Mr. Myrick's past and present as-

The occasion also marked the 30th anniversary of Richard E. Myer's entrance into life insurance.

anniversary of Richard E. Myer's entrance into life insurance.

Speakers at the luncheon included Clancy Connell, general agent Provident Mutual, New York City; Louis W. Dawson, vice-president and general counsel of Mutual Life; and Frank Foster, field representative of the Myer agency who had served with Ives & Myrick. Mr. Myer presided.

Mr. Myrick is retiring April 1 after more than a half century in the business. In 1898 he and Mr. Ives joined the company as clerks. Their agency became one of the most successful and best known in the country.

Mr. Myer joined the company as an agent at Rochester, N. Y. He was manager in Harrisburg, Pa., from 1934 to 1940. He managed the Detroit agency for the following year, until his appointments.

for the following year, until his appoint-ment as manager in New York City.

Wren, Reid Get New Group Posts with John Hancock

Wendell F. Wren, manager of John Hancock's southeastern group office, has been appointed southern group office, has been appointed southern group manager with headquarters at Atlanta. He will oversee group office in Atlanta, Nash-ville, New Orleans, Houston, Dallas and Tulsa.

John H. Reid succeeds Mr. Wren as southeastern group manager. He has been in the Cleveland group office. Dur-ing the war he was a naval lieutenantcommander.

Reliance Continues Scale

Reliance Life is continuing its 1948 dividend scale. No change is being made in connection with payment of interest on supplementary contracts and divi-dends left to accumulate at interest. In each case the rate will be 234% or the guaranteed rate if greater.

Bishop, Rives Promoted

Jefferson Standard Life has promoted Dr. William R. Bishop to associate medical director and Charles M. Rives, Jr., to assistant secretary and manager of the policyholders service department.

PRACTICING WHAT WE **PREACH**

After 3 months' service, Life of Virginia field representatives may participate in their company's contributory retirement and life insurance plan. The company pays the major part of the cost of this insurance which provides for retirement at age 65; Insurance is continued at full benefit thereafter without further contribution by the representative.

Life of Virginia gratuitously provides hospitalization and surgical benefits for representatives. These benefits are also made available to representatives' families at reduced cost.

In helping to provide protection for inbers of its own "family" this company strives to practice what it preaches.



Insurance Company

Established 1871 Richmond, Va. et E. Hanley, Presiden



Specialization is fine-but when it's insurance you're selling, it's a wonderful feeling to be able to meet the needs of all your prospects.

Reserve Loan Life lets you do just that—because RLL offers a complete line of tried and proven Life policies ... and a thorough-going line of exceptionally liberal Accident, Sickness, Hospital, Surgical and Medical plans that can be tailored to the individual, the family or a group.

Nothing hurts like having to tell a prospect, "I don't handle that kind of policy"-and that's one thing you never have to say when you handle the Reserve Loan

With Reserve Loan Life . . . You can specialize in SELLING!



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Franklin Expands Wis. Activities

With the retirement of Frank W. Engel, for 16 years general agent in Milwaukee for Franklin Life, the com-





Robert Hesse

G. C. Anderson

pany has rearranged its Wisconsin agency activities. Wisconsin State Man-agers, Inc., which under the guidance of Richard J. Kalbskopf and Robert L. hesse has actively organized the major part of Wisconsin, will now be in full charge of all Franklin field activities in the state except the Wausau and the Green Bay agencies' territories. Both





H. W. Hintzman

B. F. Lange

Mr. Kalbskopf, president of Wisconsin State Managers, and Mr. Hesse, its life manager, will move to Milwaukee. During the four years of the Wisconsin State Managers' association with Franklin, it has developed the Wisconsin sales organization to eighth place among Franklin agencies.

With the addition of the Milwaukee

Franklin agencies.
With the addition of the Milwaukee area, Wisconsin State Managers has appointed as general agents there George C. Anderson, Harvey W. Hintzman, and Byron F. Lange. Mr. Anderson has been with Franklin Life for the past three years as a personal producer in Milwaukee. He entered life insurance in 1935 with Connecticut Mu-



F. W. Engel, retiring Franklin Life general agent in Milwaukee, turns over keys of the office to R. J. Kalbskopf of Wisconsin State Managers.

tual and three years later joined Pru-dential. He joined Franklin in 1946, and has since qualified in various production clubs.

Mr. Hintzman has for the past 15 years been with Prudential as assistant manager in Milwaukee. His agency established a record in 1946 for ordinary production that has never been equalled in the four states of that company's regional operations. operations.

Mr. Lange was also formerly an assistant manager for Prudential. His agency unit ranked among the top 3%

of all that company's agencies nation-

Mr. Engel, the retired general agent, has been with Franklin since 1913. He has moved to California to continue in personal production for Franklin.

Ohio Legislation Sought

COLUMBUS—At the session of the Ohio legislature which opened Monday life people will present a group bill and fraternal interests will present a bill making changes in the fraternal insurance sections of the insurance laws. The details of these measures have not yet been worked out.

Tenn. Revenues Up

Revenue of the Tennessee insurance department in 1948 amounted to \$4,006,169 which was an increase of \$584,919 over the previous year, J. M. Mc-Cormack reported on the eve of his departure from office as Tennessee commissioner. commissioner.

Mr. McCormack recalled that in 1947, which was the first year of his administration, the total collections were \$1,-459,441. The expenses of the department for 1948 were less than 5% of the revenue.

Eight Companies Join L.I.A.M.A.

Life Insurance Agency Management Assn. has elected eight companies to membership, including one from Sweden and one from India. Membership is and one from India. Membership is now 204 companies, highest in history. New companies and the contact officer

New companies and the contact officer of each follow:

Empire Life & Accident, Indianapolis, J. I. Cummings, vice-president; Manhattan Life, Vincent Edmondson, vice-president; Pioneer Mutual, North Fargo, N. D., W. E. Wright, secretary; Great Northern Life, Milwaukee, E. P. Oertel, assistant vice-president; Western States Life, Fargo, N. D., J. P. Simpson, superintendent of agents; Woodmen Central Life, Lincoln, Neb., E. J. Faulkner, president; Trygg Life, Stockholm, Sweden, Bertil af Jochnick, president, United Life Assurance, Madras, India, P. S. Desikan, agency manager.

Peck Agency Meets

The William C. Peck agency Reliance Life at Chicago is holding a sales meet-

ing at the LaSalle hotel Friday. This is the annual roundup. About 25 are attending.

Representing the home office are Jack E. Rawles, director of training, whose subject is "Training and Prospecting," and Joseph Ritter, assistant actuary. Mr. Ritter's topic is new policy contracts announced during 1948.

The agency had a more than 20%

announced during 1948.

The agency had a more than 20% paid increase last year. Production leaders were G. V. Cleary, paid volume, and Oscar S. Woodstock, paid cases. Mr. Cleary has been with Reliance Life for 29 years, and Mr. Woodstock is a junior member of the agency.

Correction on N. W. Mutual Exhibit

In the Northwestern Mutual dividend figures in the issue of Dec. 31 the footnote on the table numbered 388 should have read "with partial credit for dividends on additions" instead of "without credit for dividends on additions."

Edward J. Curtin, assistant in the Prudential downtown agency in New York, has been appointed an assistant manager. Mr. Curtin joined the agency manager. Mr. Curtin joined the agency in 1931 and has been working with brokers and surplus writers. He enlisted as an army private in 1942 and was discharged as a captain.



An 81/2-inch by 11-inch copy of this single-sheet calendar, in three colors, is yours for the asking. It's ideal for placing under the glass of your desk-or to hang on the wall-for easy reference. Write to Advertising and Publications Department, The Prudential, Newark, N. J.

THE NORTHERN LIFE INSURANCE COMPANY

Provides its Underwriters -

- Generous First-year Commissions
- Full Renewals to the 15th Year
- Group Life-Accident-Health Protection
- A Life Income Pension Plan
- Prize-winning Sales Helps
- A FULL Sales Kit, Including Life, Accident, Health, Hospitalization, Group Life, Group A & H, Salary

Managerial Openings in Newly-opened Midwestern Territory. Write Direct to Home Office; L. J. Myklebust, 940 Des Moines Bldg., Des Moines, Iowa; or R. Robert P. Stearns, 2363-5 Guardian Bldg., Detroit 26, Michigan.



NORTHERN LIFE **INSURANCE COMPANY**

D. M. MORGAN, President ne Office: Northern Life Tower Seattle, Washington

ACCIDENT * HEALTH Issued together at a substantial saving, or separately



Cakes are made from various ingredients, but our cake contains—Special service—Sharp selling aids—A com-plete line of policies—A tried and tested recruiting plan -A proven training procedure.

> The "Icing" is the Pan-American Life's NEW AGENT'S COMPENSATION PLAN BUILT FOR THE CAREER MAN

LIFETIME COMPENSATION BONUS FOR QUALITY BUSINESS

CONTINUOUS RENEWALS NON-CONTRIBUTORY PENSION DISABILITY BENEFITS

DEATH BENEFITS

How's that for icing!

For Information Address: CHARLES J. MESMAN, Superintendent of Agencies

PAN-AMERICAN LIFE INSURANCE COMPANY U. S. A.

New Orleans

CRAWFORD H. ELLIS, President

EDWARD G. SIMMONS **Executive Vice-President**

KENNETH D. HAMER Vice-Pres. and Agency Director

Tells Traits to Look for in Picking Executives

A number of significant characteristics to look for in picking men with good potentialities as supervisors were listed by Harry Hepner of the Syracuse University department of psychology in his talk before the office management con-ference of the American Management Assn. in New York City.

Mr. Hepner pointed out that when an executive is looking over an employe and deciding whether to prepare him for a supervisory job the executive realizes the need for a fundamental pattern as a guide to his thinking about the em-ploye. To fill this need Mr. Hepner offered the "adjustment concept." This means that the man is considered in the light of the way in which he reacts to obstacles to his activity. He makes adjustments to the barriers and thereby develops drives toward new activities and establishes the "life-style" of his

whole personality.

When activity is blocked the individual may use a direct attack; ignore the immediate barrier but do something of a positive value, such as study accounting; do something else of a negative value, such as find fault with the political scheme of things; or withdraw from the world of reality and create a fantasy world of his own.

Lists Characteristics in Detail

Mr. Hepner listed the following characteristics of the good supervisor: He said that the good supervisor has learned to enjoy people. He has social "savvy." He is not self-conscious because his thoughts are directed toward the other person rather than toward himself. He notices how people feel. If he works in an office he notices evidences of tension or strain on the part of a fellow-employe who enters the office. Accordingly he thinks of some tactful act to cheer up person under strain.

the person under strain.

The best prospects for supervisory responsibilities have a strong urge to do, to accomplish, to achieve in order to be happy. They have active job interests. The practical question for the executive is how he can appraise a man as to whether he has a strong urge to achieve. The answer lies in evidence indicating the extent to which he trains himself for his work, ask questions about the work, reads the trade journal, works the work, reads the trade journal, works overtime voluntarily and seeks additional responsibilities.

Able supervisors identify themselves with successful people rather than with the failures of life. One can evaluate a man's identifications by noting whether he visualizes himself as becoming just he visualizes himself as becoming just as successful as other successful people he knows. Does he want to join the country clubs to which successful people belong? Does he believe in the capitalistic system? Or does he feel and contend that the "have-nots" are poor because they are exploited by the "haves?"

Identifies Self With Management

When a man identifies himself with those who are in authority, he is willing to be guided by and counseled by his to be guided by and counseled by his superiors. He can be appraised by noting the extent to which he wants to know and follow management's policies. When he disagrees with a policy he should express himself about it but cooperate in putting the final policy into effect.

Good supervisors are emotionally emancipated from home ties, especially from the mother. It is usually easy to recognize the man who has an Oedipus complex or mother-fixation because he psychologically speaking lives very "close" to his home. He has difficulty in falling in love, wants to look after his mother, leans on his secretary for advice rather than his male colleagues in busi-

The successful supervisors can make decisions and have the courage necessary for living with their own decisions. A young supervisor can be appraised by observing whether he makes decisions and sticks to them. Does he frequently say to his boss, "You decide this question, Chief," or in contrast, does he say, "I'll decide the question, Chief, and save you the trouble of worrying about it?"

HAVE TEAM SPIRIT

Good supervisors have a strong sense of responsibility for their own employes the members of their own team. A good yardstick is this: When a young man is asked whether he would, as a department head, prefer to be responsible for the employe relations of his own deventions of the temploye relations. partment or make the personnel department responsible, the man who is a good bet for the supervisory position says he wants to be responsible for his personnel.

Good supervisors and good prospec-tive supervisors have strong personality developments in the direction of enjoy-ing business responsibilities and in the developments in the direction of enjoy-ing business responsibilities and in the handling of their own employes. They are willing to accept authority and guid-ance in the development of their own supervisory skills. They tend to be ob-jective about their supervisory abilities, that is, they will admit their weaknesses in handling employes and are willing to improve their supervisory skills. A good supervisor even is willing to let his own employes rate him on his supervisory qualities. One of the most effective aproaches to the appraisal and of office supervisors is to use as the basis of office supervisors is to use as the basis a method whereby the supervisors are rated by their own employes. If supervisors have such a plan explained to them in advance and they are encouraged to help set up the whole plan they will cooperate in a constructive spirit, accepting to Mr. Hopper cording to Mr. Hepner.

Employes Tried on "Panel"

In addition to this method and the In addition to this method and the use of psychological tests and the services of psychologists, Mr. Hepner suggested using the "two-way communication" idea. This involves asking each tion" idea. This involves asking each department and supervisor to designate the individual employes who appear to be worthy of training for supervisory responsibility. The employes are called together and told that they are going to receive a one-page questionnaire having a few questions about relations between management and the employes. They management and the employes. They are not told that they are being studied for supervisory posts, but are informed that they constitute an unofficial panel of employes who are being asked to answer some questions about the improvement of management's relations with employes. They are asked to be constructive, not to report anybody's mistakes.

For example, employes might be asked to check certain items that ought to be improved, such as excessive tardiness, ccessive loafing in rest rooms, waste of excessive loaning in rest rooms, waste of time due to too much needless chatting and the like. Also the panel members might be asked to suggest rules, regu-lations or practices that ought to be dropped or considered for change; what new rules or practices would be helpful to the company and the employe; what to the company and the employe, what the management could do to help new employes get a better start; the extent to which the bringing in of certain new employes may have annoyed old em-

ployes.

Mr. Hepner stressed that good management is far more than the ability to use scientific aids in selecting supervisory employes but is the man-agerial art of creating a psychological atmosphere which makes life and work a pleasure for management, employes and customers

Roy F. Watson has set a new Midwest Life record by completing 1,200 weeks of consecutive weekly production.

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Advance Premium Rules Are Liberalized

Rules of Bankers Life of Iowa with respect to the discount rate on advance premium deposits, and the maximum amount of premium accepted on single life and endowment policies are being liberalized.

liberalized.

The rate of discount on advance premium deposits will be 2% with a maximum of 20 advance premiums and a further maximum of \$50,000 acceptable from any one policyholder. In event money is withdrawn from the advance premium deposit fund, interest at the rate of 1% is allowed from date of descrit on the amount so withdrawn.

posit on the amount so withdrawn.

The maximum amount of money acceptable on single premium life and endowment is being increased from \$25,000 to \$50,000.

Features Texas Insurance

"Texas Parade" for January carries an extensive article on life insurance in Teaxs. There is more than a page of pictures of presidents of Texas life com-

Robert W. Turner for the past 18 years with Connecticut Mutual and Guardian Life, joined Marsh & McLennan's life department at Detroit. He will specialize in personal and business life insurance.

N. Y. Life Man Tells Why We Lost Berlin Corridor

We Lost Berlin Corridor

Vice-president Otto L. Nelson, Jr., of New York Life recently shed interesting light on this country's failure to obtain a land corridor into Berlin which would have made the Russian blockade impossible. In his address before the American Political Science Assn. in Chicago Mr. Nelson, who is a retired major-general, said that the decision not to insist on a land corridor was made in an informal telephone conversation at the top American political level despite the definite opposition of the ranking American military leaders.

Mr. Nelson cited the Berlin corridor decision as an example of how important executive decisions affecting national security should not be made. He advocated a truly objective staff, composed of political, economic, military, scientific and other experts with well delineated statutory, responsibilities, which he said would have saved the country from such a disastrous mistake. He said that usually these instances cannot be charged to individual stupidity or evil intent but are usually made because some military or government leader has to make an "off-the-cuff" decision without the proper staff assistance. Mr. Nelson's disclosures received considerable newspaper publicity.

OBSERVATIONS

Crystal-Gazing at Group

Group insurance and paid sick-leave are on the way to becoming matters of compulsory collective bargaining, Emerson P. Schmidt, chief of the department of research of the U. S. Chamber of Commerce, said recently in discussing the "hidden payroll."

Considering what he called "the newly established legal compulsion of bargaining over pensions," Mr. Schmidt declared that "we are now confronted with a strange, compulsory dual-approach to pensions." First, Congress legislates compulsory OASI, then along comes the national labor relations board, without legislative authority to deal with pensions, but nevertheless in effect ordering a super-pension on the pension layer provided for by Congress.

Analyzing "hidden payroll" charges on the employers, Schmidt listed workmen's compensation, non-occupational disability in three states and in the case of railroads, unemployment compensation, and OASI.

disability in three states and in the case of railroads, unemployment compensation, and OASI.

What the ultimate cost of OASI may be, after liberalization and broadening of coverage Mr. Schmidt doesn't hazard a guess but said estimates range from about 6% to 12% of covered payroll, half to be paid by employers. He thinks an increase in unemployment tax will be imposed eventually.

half to be paid by employers. He tninks an increase in unemployment tax will be imposed eventually.

"If we allow 1½% for workmen's compensation, 1% plus for non-occupational disability, 2% for unemployment compensation, 4% for the employer's share of OASI," Mr. Schmidt figures, "this means a combined average payroll cost for these four programs alone of 8½%. Should we get socialized medicine this might well add another 3% or 4%, possibly shared equally among employes and employers."

Mr. Schmidt said students of payroll tax burdens conclude that part of the tax is shifted to the employe in retarded wage increases and part of it is transferred to and recovered in the price. Some years ago, he continued, a study made in England showed that the increased outlays for social security and public welfare programs were almost exactly offset by proportionate increases in taxes on the poorer groups, taxes on heer tea and other items. Thus, the in taxes on the poorer groups, taxes on beer, tea, and other items. Thus, the wage earners bear the bulk of the bur-den of benefit programs.

Mr. Schmidt concluded that a payroll

tax that includes cost burdens for not working constitute a levy on a factor of production, the demand for labor. Instead of placing a premium upon putting men to work, they are a penalty on jobs. "One of these days we may have widespread unemployment again," he pointed out. "If we make it expensive through managerial and public policy to put men on the payroll, we may unwittingly help generate and perpetuate unemployment."

Complicated Production

"Companies may have their problems getting along with 48 different insurance departments but that's nothing compared to the way production has been complicated in the last few years," one agent contends. "Before the war I had to spend a little time with my prospects in straightening them out on what social security coverage provided before I could set up a program. Now there are frequently three or four policies to correlate. I have to be an expert on social security, National Service life, group insurance of all kinds from pensions to hospitalization, and savings bank life. By the time I've finished explaining those policies to them I've used up most of their time as well as my own."

Outdated Political Concepts

Independent group consultants, who negotiate with both group writing companies and the unions, are worried over what they consider the negative attitude what they consider the negative attitude of the companies on labor welfare programs. One said that he was handicapped by company representatives who appeared at negotiation conferences expressing views based on pre-Nov. 2 political conceptions, some of them pre-New Deal. No one cares any more if an idea or plan is criticized as being socialistic, he says. Something that had a socialistic tinge 20 years and deesn't a socialistic tinge 20 years ago doesn't have it now. Some things considered socialistic Nov. 1 weren't on Nov. 3.

Something Helpful

A New York agent has found one beneficial effect from National Service life. He says that it isn't so hard to get the client who is a veteran to think in terms of \$10,000 coverage instead of \$5,000 or \$3,000.

Chicago is a Great City



(Photo courtesy Chicago Herald-American)

When you're in Chicago

go and see

SHEDD AQUARIUM

Look at, but touch not, the most shocking of all King Neptune's subjects, the electric eel. In its native Amazon, this piscatorial powerhouse has been known to electrocute horses! Another bad actor is the nasty-looking green moray—a fish which holds the reputation of driving fishermen right out of their boats.

Among the other man-killing fishes on exhibit is the vicious South American piranha. He looks like a harmless brook trout, but he travels in great schools, which have reduced many a man to a skeleton in short order. More than 7000 fishes-of some 250 varieties, from pin-head size to 8-foot monsters-are on display. In this great aquarium—the largest in the world—you can spend many fascinating hours.

Come and see us too!

Our Company is an old-line legal reserve life insurance company, writing Life and A & H contracts, and serving more than a million policyholders. Maybe we can add



something to our visitors' knowledge of this business; maybe they can do the same for us. Anyway, you can find us on the job from 8:30 to 5, Monday through Friday, and it's always open house here.

BANKERS LIFE & CASUALTY CO.

John D. MacArthur, President Kenneth at Lawrence Avenue, Chicago 30, Illinois

"Chicago's First Insurance Company"—Established 1879

EDITORIAL COMMENT

Competition to the Fore

key concepts of the year in life insurance public relations and in interpreting the business to the field forces. In recent weeks several leaders in the business have stressed the competitive element in the life insurance business. They have pointed out how it operates, why it is a good thing, and why it is beneficial to the policyholders and the public.

This seems to be a natural reaction to the criticisms of life insurance bigness that have been made by Rep. Celler of New York and a few others and to the fact that the federal government, with its emphasis on anything savoring of monopoly or restraint of trade, has come into the insurance regulatory picture.

To those in the business it may seem as superfluous to call attention to the competition that prevails in life insurance as it would be in the case of a couple of strange bull-dogs. Nevertheless, the public can be induced to swallow some weird notions about the life insurance business and it is just as well

Competition appears to be one of the to get the jump on the critics by firmly implanting the competitive concept wherever possible.

If the federal government injects itself into insurance regulation in a definite way, life insurance men will need to be sure they compete vigorously so as to avoid the criticism of being a huge combine, while at the same time rivalry must be kept within such limits that the federal trade commission cannot bring accusations of unfair competition.

The old time life insurance agent, with his aggressively persistent sales methods and his derisive contempt for any company but his own has become a phenomenon that present-day people in the busness like to consider obsolete. However, his tactics have so firmly implanted in the public's mind the concept of life insurance as energetically competitive that it should be extremely difficult for critics to fool any sizable portion of the public into thinking of life insurance as anything but a thoroughly competitive

Falling on the Easy Prospects

in all this talk about expanded federal social security particularly in the realm of health insurance attention tends to become focused on employed groups when it comes to discussing the benefits that are to be provided and the means of doing the financing. Yet, when the advocates come to discussing the need data usually embraces the entire population.

While everyone, Republicans and Democrats alike, gives lip service to the idea of extending the social security system beyond the employed group, yet when it comes down to cases everyone seems to shy away from actually going all the way in this direction. The reason is that it will be a gigantic undertaking to get at all of these scattered individuals when it comes to collecting the money from them, keeping the records on them and providing the benefits for them. These are the people that do not have even the foundation social security benefits, and we would think that taking first things first it is best to concentrate on equalizing the situation so far as they are concerned, before heaping tax on tax and benefit on benefit for those who are the easiest to get at.

It has been our position that the em-

We have remarked in the past and insofar as social security is concerned perhaps it is time to remark again that not only because of what the federal government has done but because of what has been arranged for them through the medium of insurance and otherwise. They have the foundation social security benefits, they have workmen's compensation, in some states they now have unemployment compensation disability, they have group life insurance, group for such extension of the system, the hospitalization, surgical, in some places group medical, pensions, welfare funds, sick leave. That, of course, is not to say that every employed person is getting all of these benefits but the increases have been enormous in the past few years and any progress in this field will not be slowed down unless it appears to management and labor that the U.S. government and Mother Ewing are going to be given the whole job to do.

In all of this talk about extending social security there is always reference to the amount of payroll tax that will be involved. This indicates that all hands are thinking about employed groups. These people, by and large, are the ones that require the least attention, if it is needs that we are thinking about and yet they would be the ones that we believe would get all the attention. To make foundation social security applicable to everyone in the land would ployed group has gained immeasurably require a federal bureaucracy in the

country districts comparable to the margins are extremely thin. The comcounty farm bureau setups and in the city comparable to ward and precinct political organization. Yet, that is the job that lies ahead to be done if the Democrats are to live up to their cam-paign commitments. The Republicans would have had to do the same thing had the polls been correct ..

The employed groups are a cinch for insurance companies to work with and for the government to work with. On the basis of needs we feel there is little basis for any argument that the federal government should take over the whole job. Also, we feel that it would be hard to make any argument that on the basis of cost there is any necessity for the federal government to do the whole job. The cost of group insurance is pretty close to an irreducible minimum. The

petition is keen and we think that the group insurance business of the country could very well defy the federal government to set up any cost projections that would rival those of private insurance. Evidence along this line is the fact that there are companies under the UCD laws of California and of New Jersey that are willing to provide greater benefits than those that are available from the state and for the same cost.

On the test of whether the government could do it better and cheaper, we think there is very little doubt but what the answer is "no."

All that would be accomplished would be a further enormous aggrandizement of the federal establishment and a monkeying with the controls in the field

PERSONAL SIDE OF THE BUSINESS

Miss Mary Bland, daughter of Frank W. Bland, Pacific Coast manager of The National Underwriter Co., was designated "office orchid" in a daily contest of the San Francisco "Call-Bulletin." Miss Bland is a secretary at San Francisco with Providence Washington. Charles Currey is Pacific Coast man-

Malcolm I. Lindsay, retiring branch manager for Great-West Life at Minwas tendered a testimonial dinner by his associates. Retiring for rea-sons of health, Mr. Lindsay completed 25 years in the business, the last 13 with eat-West. He was appointed manager at Minneapolis in 1940. Tribute was paid to Mr. Lindsay by J. B. Nettlefield, assistant superintendent of agencies, who represented the home office. Lindsay was membership chairman of Minnesota Life Underwriters Assn. in

Peter Peyser, assistant to his father, A. Peyser, Manhattan Life general gent in New York, is coaching the agent 107th Infantry National Guard basketball team, which so far has chalked up three successive victories. J. J. Smith, of the Manhattan Life home office actuarial staff, is a member of the team.

W. W. Putney, president of Midwest Life, described his recent trip around the world for the Lincoln Lions Club. He showed motion pictures taken during

Emmett Russell, advertising manager of Life & Casualty, has been elected second vice-president of the Nashville Exchange Club,

Stanley E. Smithson, district supervisor for Aetna Life at Fort Smith. has been named chairman of the Salvation Army citizens' advisory board.

James H. Cowles, newly elected vicepresident in charge of agencies of Provident Mutual Life, who for about 20 years has been general agent at Los Angeles, was guest of honor at a reception tendered him by fellow general agents and managers at Los Angeles. He was presented an inscribed scroll.

Mr. Cowles will leave soon for Philadelphia to assume his new duties,

"Time" magazine in its Jan. 3 edition tells about the events leading up to the election of John D. MacArthur, president of Bankers Life & Casualty of Chicago, as publisher of "Theatre Arts" magazine of which his famous playwright brother, Charles MacArthur, is additor.

Alexander S. Ince, the previous publisher, sold out. John MacArthur was quoted as stating that his group of business men has put up \$500,000 to make the publication of the publication the publication go.

George A. Drieu, assistant secretary Connecticut General Life, has completed 45 years with the company, Starting as mail boy, he spent some time in the premium collection division and in the group department, of which he became superintendent in 1919. He became office superintendent in 1920 and assistant secretary in 1924.

He has been active for years in Life Office Management Assn. and was in-strumental in organizing the Hartford chapter of National Office Management

On the occasion of his 79th birthday and completion of 55 years as head of Acacia Mutual, President William Montgomery was honored with Mrs. Mont-gomery, at a luncheon tendered by company officers and field force leaders.

Mr. Montgomery was presented with an emerald-studded plaque in appreciaan emerald-studded plaque in apprecia-tion of the prosperity the company has enjoyed under his leadership. As a special tribute, the field force wrote \$24,444,041 of new insurance during a 55-day emerald jubilee celebration. In responding, Mr. Montgomery said that at the ctart of the foreners. Acade

that at the start of the first war, Acacia had less business in force than was produced during the special drive just ended. He added the company now employs 1,500 and serves more than

employs 1,300 and serves more than 250,000 policyholders.
Acacia's Vice-president Howard W. Kacy, as chairman of the Washington Board of Trade's congressional relationships of the transfer of the Washington Board of Trade's congressional relationships of the Washington Board of the Washington Board of the Washington Board of the Washington Boa tions committee, had charge of arrange-

IFE INSURANCE EDITION



NATIONAL UNDERWRITER

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ments for entertaining 125 new members of Congress at a Welcome to Washington dinner, Jan. 4. which she has attended since the association was organized 25 years ago, died at Manhasset, Long Island.

Mrs. Marc Law, wife of the associate general manager of the Parsons agency of Mutual Benefit Life at Chicago, is now in Italy as a representative of the League of Women Voters of America. Mrs. Law, who will be overseas for several months, was elected to make the trip to help Italian women organize politically. She is a past president of the league.

John D. Pearson, who has just retired John D. Pearson, who has just retired as Indiana insurance commissioner, is becoming state agent in northern Indiana for St. Paul Fire & Marine. He was a fire insurance field man before taking the state post in January, 1945. Ed L. Foulks, New England Mutual Life general agent at Greenville, S. C., for nine years, has been elected vice-president of Greenville Kiwanis Club.

DEATHS

John W. Walker, 76, former insurance commissioner of Utah, 1921-25, died at his home at Salt Lake City on December 29, from causes incidental to his age. For years he was an agent of Mutual Life.

Arthur J. Quigley, 72, died at Seattle of a heart attack.

A native of Lake Geneva, Wis., he had been a resident of Seattle 40 years. He served 35 years with Connecticut Mutual Life and was its associate general agent at Seattle before his health began

to fail.

He was one of the first C.L.U.'s in the area and a former president of Seattle Life Underwriters Assn.

William L. Butler, 56, agent for the Business Men's Assurance since 1930, died suddenly at his home at Kansas City of a heart attack. He was a past president of Kansas City Life Underwitters. writers Assn.

Clarence A. Cooper, Penn Mutual, Des Moines, formerly a training assistant in the home office, died suddenly. Beginning in 1939 he worked out of the home office as assistant to E. Paul Huthome office as assistant to E. Paul Huttinger, 2nd vice-president, and then went to Cincinnati as manager. The same year Mr. Cooper became a lieutenant (j.g.) in the navy. Doing administrative work, he became a lieutenant-commander and then sold for Penn Mutual at naval air stations near Philadelphia, Richmond and New Orleans.

Mrs. Frank L. Rowland, wife of the executive secretary of the Life Office Management Assn. and herself a familiar figure at L. O. M. A. conventions, all of

Sees Good Future

While the 1949 rate of expansion in life insurance ownership may be some-what less than in recent years, the comwhat less than in recent years, the coming year should be a good one for life insurance sales, according to Holgar J. Johnson, president of the Institute of Life Insurance.

Mr. Johnson pointed out that insurance in force is still only about the equivalent of a year's income and that until the average amount of family protection is more nearly adequate, life insurance may be expected to go forward. He mentioned that to fill this need more than 500 life companies and 175,000 agents will be competing with one another.

other.

Mr. Johnson mentioned these factors as being responsible for the great growth of life insurance in the last few years and as being likely to continue: High rate of income of the American people; increased desire for security, which grew out of the depression; a tax structure which makes it practically impossible for many individuals to assure their families' future by traditional methods of saving; lessening of competition from salesmen offering other forms of savings and investment; and growing recognition of the usefulness of growing recognition of the usefulness of life insurance as a means of replacing income as contrasted with the older con-cept of providing a lump sum of money.

R. W. Wilkinson, Regional Sup't of Agencies, Welcomed

R. W. Wilkinson, who recently took over as regional superintendent of Mutual Benefit Life at Chicago, was welcomed to the city at luncheons of two of the company's Chicago agencies this week. On Tuesday he attended the Bruce Parsons agency party and on Wednesday that of the Paul W. Cook agency.

Wednesday that of the Faul W. Cook agency.

Mr. Wilkinson has been with Mutual Benefit for two years in agency training work and before that was in the same field for Aetna Life. He started with Aetna as an agent in Grand Rapids in 1937 and went to the home office in 1941. He was formerly in the banking business. He is a graduate of Hillsdale College. College.



I THINK YOU'RE REAL MEAN TO CHOOSE THE LIFE INCOME OPTION FOR ME INSTEAD OF LETTING ME DO IT MYSELF. YOU'RE CUTTING 20 YEARS OFF MY LIFE EXPECTANCY."

GUARDIAN'S NEW PREFERRED RISK **POLICIES**

provide

- level-premium, limited payment life contracts, containing all the attractive features of Guardian's other policies;
- Guardian's regular choice of liberal settlement options, including the preferential life income option (e.g.—female beneficiary, age 65—\$5.88 per month per \$1000, ten years certain and life);
- premiums payable annually, semi-annually, quarterly or monthly;
- addition of Guardian's waiver of premium and \$10 per month per \$1000 disability income benefit, as well as accidental death benefit-(N.B.-Extra dividends are paid on policies with supplemental disability benefit agreements);
- addition of Family Income Agreements for 10, 15 or 20 years, or to age 65.

AND COMBINE LOW PREMIUM WITH LOW NET COST!

Minimum amount issuedeither "PR-85" or "PR-70"

\$10,000

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LIFE AGENCY CHANGES

Nat'l of Vt. Names Ray Hodges as G. A.

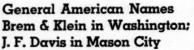
Ray Hodges has been appointed Cin-cinnati general agent of National Life of Vermont. Until re-

cently he was agency vice-president of Ohio National Life. He resigned to enter the general agency field.

Mr. Hodges has devoted his entire business career to life insurance. He is a graduate of Ohio State Univer-He is a past president of the Cincinnati Life Underwriters Assn., Ohio Life

Underwriters Assn., and the local general agents' organization, and was for several years a trustee of N.A.L.U. He has served as chairman of the Cincinnati Community Chest.

Mr. Hodges replaces Caldwell Sherrill, who will continue with the agency. He resigned to devote his entire time to personal clients, with special emphasis on estate planning. He is a C.L.U.



General American Life has appointed the Brem & Klein agency to represent the company in Washington, D. C., and has opened a new general agency at Mason City, Ia., with John F. Davis

as general agent.
Isador Brem and David Klein have lsador Brem and David Klein have been partners since 1945, when they were appointed by Bankers National Life. Previously Mr. Brem was with Fidelity Mutual in supervisory work, to which he was appointed after having been in the business two years. Mr. Klein was formerly in the shoe business in New York City and was also with Fidelity Mutual before joining Bankers National. ing Bankers National.
The appointment was made on recom-

The appointment was made on recommendation of David Stephens, former general agent in Washington, who is convalescing in Florida. He plans to resume personal production upon his return to Washington.

Mr. Davis has been in the life insurance business in Mason City for the last two years. He was a chemist with Pittsburgh Plate Glass Co. before going into life insurance selling. He

going into life insurance selling. He served in the army in the war, becoming a captain before returning to the life insurance business in 1946.

N. Y. Life Raises O'Connor, Mansfield

New York Life has advanced George E. O'Connor to manager of the mid-town branch in New York City, and Harry R. Mansfield to manager at Davenport, Ia. G. Cameron Hurst becomes associate manager of the Golden Gate branch in San Francisco, and Guy N. Ducharme becomes associate manager in Montreal.

Mr. O'Connor joined New York Life April, 1946, at Brooklyn, and later in 1946 was appointed assistant man-ager there. He has been training super-visor in the northeastern division for the past year. During the recent war, Mr. O'Connor advanced from private to

Mr. Mansfield has been associated with New York Life since 1944 at Des Moines. He was appointed assistant manager there and was transferred to

Davenport in that capacity in 1947.

Mr. Hurst joined New York Life in
Minneapolis in 1936 following graduation from Westminister college. He was tion from Westminister college. He was appointed assistant manager of that branch in 1937. In 1942, Mr. Hurst became instructor for the northwestern department, and in 1943 went to the home office as an instructor in field training. Following his release as a navy officer in 1946, he rejoined New York Life as assistant manager at Los Angeles. He was transferred to the Golden Gate branch as assistant manager in

Mr. Ducharme joined New York Life in 1947 as assistant manager at Mon-treal. He is a C.L.U.

Mr. O'Connor succeeds E. H. Bennetts. Mr. Mansfield has been in charge of the Davenport branch for about two years, He succeeded F. E. Morgan.

Simmons Old Line General Agent at Downers Grove, Ill.

Paul J. Simmons, well known Chi-cago casualty underwriter and manager, has been appointed general agent by Old Line Life of Milwaukee at Downers Grove, Ill.

Mr. Simmons for a number of years was with the Chicago branch office of American Automobile and then was un-derwriter and later acting manager for a casualty company,

Honor H. M. Rollins

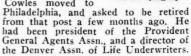
H. Melvin Rollins of the Wyoming agency, has been inducted into the multimillionaire club of Beneficial Life. Among the 60 friends and associates who honored him at a banquet was Gov. Hunt of Wyoming. Virgil H. Smith, vice-president of Beneficial Life, presented Mr. and Mrs. Rollins with gold engraved watches. engraved watches.

Ouigley Fills Provident Mutual Vacancy on Coast

Provident Mutual has designated George N. Quigley, recently retired as general agent at Denver, as interim manager at Los Angeles to succeed James H. Cowles, new vice-president and manager of and manager of

and manager of agencies.

Mr. Quigley became affiliated with Mr. Cowles in the Colorado agency in 1927. He was appointed general agent the following year when Mr. Cowles moved to





G. N. Quigley

Coyne, Jr., Assumes Charge of Father's Agency

After 34 years as general agent for Penn Mutual at Manchester, N. H., John W. Coyne has passed over management duties to his son, John W. Jr., and will devote his full efforts to personal production.

The son was born in Manchester and graduated from University of New Hampshire, promptly joining his father's agency as an agent. He entered the army in 1940, being severely wounded in Europe. After leaving the army he en-tered a Penn Mutual refresher school

tered a Penn Mutual retresher school and returned to selling insurance. The father went with Penn Mutual in 1914 as general agent. He is a native of Clinton, Mass. He is past president Manchester Life Underwriters Assn. and has been active in civic affairs. His daughter Alice has been cashier of the

Heads New S. D. Agency

Gust Pappas of Bristol, S. D., has been made manager of a new agency of Midwest Life in north central South

Chester A. Dove has resigned from National Life & Accident, with which he has been associated for eight years, to become a supervisor in the T. A.

Federal L. & C. Names Lesko

Charles B. Lesko has been appointed general agent of Federal Life & Casualty at Binghamton, N. Y., succeeding Paul R. Whittlesey, who has been ordered by his doctor to take things easy. Before entering life insurance 13 years ago he had 10 years experience in selling grocery and food lines.

Two Supervisors for Shelnutt

to become a supervisor in the T. A. Shelnutt agency of American National

B. M. A. Designates Three Managers







Business Men's Assurance has named as managers H. G. Horn, Portland, Ore.; Milton E. Ladish, Chicago, and C. W. Cooper, Springfield, Ill.
Mr. Horn succeeds E. M. Ward, who has retired after being Oregon manager for 22 years. In 1940 Mr. Horn started in the home office claim department, He then became Oregon-Washington field service representative and in 1942 joined the sales force. He is a life member of the sales force. He is a life member of the Million Dollar Round Table and a past president of the Grant Club.

Mr. Ladish has been with the B.M.A. Mr. Ladish has been with the B.M.A. since 1943, recently as general agent in Chicago. He has qualified as a director of all of the production clubs each year and was vice-president of the Grant Club in 1947. He is a graduate of the Kansas City School of Law.

Mr. Cooper moved to Springfield in August form Lobe Co.

August from Iola, Kan., where he had been district supervisor. He joined B.M.A. after discharge from the navy and is now vice-president of the two leading production clubs.

TORY STORY 0000 Mutual of Omaha MY INCOME PROTECTION WITH MUTUAL OF OMAHA HAS PAID ME \$ 14,150.00 TO DATE More than 1,900,000 Policyholders More than \$235,000,000.00 paid in benefits COOPER OF HELM, CALIF., WAS MUTUAL SERIOUSLY INJURED ON A CONSTRUCTION JOB LESS THAN 2 MONTHS AFTER HE IN

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at McAllen, Tex. For 2½ years he has been superintendent in charge of the McAllen office for National L. & A. Edward J. Eberle has been appointed supervisor in the Shelnutt agency. He has been superintendent in Des Moines and Kansas City for American National for five years and for the last two years was general agent for Mutual Savings.

Phoenix Mutual Shifts Two at Bridgeport, Ft. Wayne

Phoenix Mutual has advanced William

A. Hunt from manager at Fort Wayne to manager at Bridgeport, Conn., and Richard N. Chapin from supervisor at Seattle to supervisor-incharge at Fort Wayne. Clayton W. Welles, nearing re-tirement after 38 years as manager at Bridgeport, will remain in an advis-ory capacity, gradu-ally transferring the responsibilities Mr. Hunt.



Mr. Hunt.
Mr. Hunt joined the Boston office of Phoenix Mutual in 1938. He served in a supervisory capacity with the Newark, Rochester, Boston, and New York City agencies. He was appointed manager at Fort Wayne a year ago. He is a graduate of Boston University, and during the recent war served with the army air forces.

Mr. Chapin joined the Kansas City agency of Phoenix Mutual in 1941. He received his field training in several of its large agencies. He attended Kansas University.

Stangle Asst. G. A. of Aetna at Albany

George P. Stangle, assistant general agent with the R. S. Edwards agency of Aetna Life in

Chicago, has been drafted to take a similar post with the H. N. Lonergan general agency of Aetna at Albany, N. Y. He is leaving

for the east Friday.
Mr. Stangle succeeds Earl C. Jordan, who recently resigned to become Chicago general agent of Massa-chusetts Mutual in

the former Hughes



agency. After an outstanding athletic record at Dartmouth College, where he played varsity basketball and football, Mr. Stangle joined the Edwards agency as an agent in 1934. He was named unit manager in 1939. Mr. Stangle entered the army in 1943 and served in this country and England, being discharged in 1946. He immediately returned to Mr. Edwards and was appointed brokerage manager. Soon thereafter he was named assistant general After an outstanding athletic record after he was named assistant general

Saint Joins Amer. United

American United Life has designated Walter M. Saint, Jr., manager at Los Angeles. Mr. Saint in 1933 began at Los Angeles with Northwestern National. From 1936 to 1942 he served that company as training supervisor, district manager and assistant general agent at Los Angeles. Since 1944 he has been assistant agency director for Forest Lawn Life.

John F. Burpee, formerly district manager at Bend, Ore., for Northern Life, has resigned to go with Lumbermens Insurance Agency, which will represent Northern Life for life, health and accident and hospitalization.

ACCIDENT

H. & A. Conference to Hold Regional Meeting at Dallas

A three-state regional meeting will be held by H. & A. Underwriters Conference at Dallas Jan. 10. In addition to conference company representatives in Texas, Oklahoma and Kansas, Commissioners Butler of Texas and Dickey of Oklahoma have heer invited to attend

Oklahoma have been invited to attend.
Included on the program will be discussions on hospital insurance, including the Chicago hospital admission plan; federal and state legislative developfederal and state legislative developments; the accident and health survey, and current regulatory developments. The highly popular forum feature, "What Is Your Problem?" which proved to be of great interest at the Minneapolis and New York regional meetings, will conclude the program. This is an open forum in which questions on any phase of accident and health insurance may be directed to leading accident and health directed to leading accident and health insurance executives.

N. J. Skutt, Mutual Benefit H. & A., president of the conference, will briefly review the activities of the conference for the past year.

Presiding officer will be Travis T. Wallace, president of Great American

Bureau Holds Educational Seminar in N. Y. Feb. 1-2

Bureau of A. & H. Underwriters will conduct an educational seminar on hospital expense, family expense and franchise insurance Feb. 1-2, at Hotel Bilt-

more, New York.
For more than a year, subcommittees of the underwriting committee of the bu-reau, headed by W. E. Kipp, Indemnity of North America, have been studying all phases of each of these types of accident and health insurance. The study on hospitalization insurance has been on hospitalization insurance has been made by P. J. Burns, Eagle-Globe-Royal Indemnity. Gerald S. Parker, Preferred Accident, has conducted the study of family expense (family group) insurance. The study of dependent riders has been made by F. T. Corby, Home Indemnity. The franchise insurance study was made by H. L. Graham, Manufacturers Casualty. Each study includes a detailed review of all aspects of these types of insurance, including policy forms, riders, applications, state requirements, underwriting, claims, and sales and marketing.

and marketing.

The seminar will also include a dis-

cussion of recent regulatory developments by Manager J. F. Follmann, Jr.

The entire seminar will be in the nature of a round table discussion and due to the necessary restrictions on accommodations, will be limited to representa-tives of bureau companies only. Merle J. Thompson, Standard Accident, will act as general chairman.

Hear Compton at Milwaukee

MILWAUKEE — Don Compton, Combined, Chicago, chairman speakers bureau National Assn. of A. & H. Underwriters, a former member of the Milwaukee group, will discuss highlights of the national program in a talk on "What You Should Know and Talk About," at the luncheon-meeting of A. & H. Lingham and Milway and Milway and Milway and Milway and Milway at the luncheon-meeting of A. & H. Lingham and Milway and Mi

the luncheon-meeting of A. & H. Underwriters of Milwaukee Jan. 7.

S. L. Horman, Time, chairman of the legislative committee, will discuss compulsory cash sickness and other similar legislation which is expected to be introduced in the 1948 session of the Wiscon. duced in the 1949 session of the Wisconsin legislature.

New Cal. Manual Out Soon

LOS ANGELES — Commissioner Downey stated that the department is working on the list of life and disability questions submitted by the industry to the department for prospective use in life and disability producers' examinations. The questions have been exam-



into assituation where an important client needs and wants additional protection but falls beyond the substandard limits of most companies.

* The EXTRA MAN typifies the specialized help that you as a broker can secure from your nearest Connecticut General office. The example above is one of many ways that The EXTRA MAN can help you build or conserve business.

At Connecticut General you can obtain substandard up to 500% mortality. In addition maximum amounts arevsubstantial substandard can be written to age at issue 60. . . Connecticut General substandard extra premiums have recently been lowered.

CONNECTICUT GENERAL

HARTFORD, CONNECTICUT



BETTER SERVICE THROUGH BETTER MEN

LIFE INSURANCE, ACCIDENT IN-SURANCE, HEALTH INSURANCE AND ANNUITIES. ALL FORMS OF GROUP INSURANCE AND GROUP ANNUITIES. PENSION TRUSTS. SALARY ALLOTMENT INSURANCE



The COLUMBIAN NATIONAL LIFE INSURANCE Company

MASSACHUSETTS BOSTON,

ONE STOP SERVICE

If variety is the spice of life, the Columbian National agent is well-seasoned. He carries a full kit of personal and group protection—prepared always to provide his clients with all-around service.

BUILT ON INTEGRITY GROWING ON SERVICE

ined by several members of the staff and have been keyed to the manual now in use. Where the questions contain material not now covered by the manual, notes are made to that effect with a view to adding such material to a new manual

now in preparation.

It had been hoped to have the new questions completely processed and the new manual available by the first of 1949, but this proved impossible.

Moe Directs U.S. Life A. & H. Underwriting

Douglas J. Moe has been named manager of the A. & H. underwriting department of United States Life. Recently, he completed his 25th year in the A. & H. business, both in field and

home office.

home office.

Mr. Moe started at the home office of the Standard Accident and after seven years went to New York with Lloyds Casualty as manager of the A. & H. department. He went into personal production and in 1937 was appointed special agent for Continental Casualty in charge of A. & H. sales in the eastern division. In 1943 he became chief underwriter of Continental Casualty's downwriter of Continental Casualty is downwriter of Continental Casualty is downwriter of Cantinental Casualty is downwriter of Cantinental Casualty is downwriter of Casualty is downwriter of Cantinental Casualty is downwriter of Casualty is downwriter of Cantinental Casualty is downwriter of Casualty is downwriter of Cantinental Casualty is downwriter of Casualty is d writer of Continental Casualty's down-town New York branch until 1947 when Robert J. Keane agency of U. S. Life, specializing in brokerage A. & H. and hospitalization.

Make Plans for Big A. & H. Agents Rally in June

A program featuring widely known speakers headed by Dr. Morris Fishbein, editor of the Journal of American Medical Assn., has been prepared for the annual meeting June 26-29 at Cleveland of National Assn. of A.&H. Underwrit-

John B. Lambert, Mutual Benefit H.&A., is general convention chairman. The other committee heads are: Finance.

ESTABLISHED 1905

POSTAL LIFE

INSURANCE COMPANY New York

Warmest thanks to many well wishers on our start in 1948 as an

AGENCY COMPANY

Gratifyng results of our agency building program are found in the following outstanding general agency appointments made since September, 1948.

Abraham Karduna, 186 Joralemon Street, Brooklyn, N. Y. Arthur M. Hilton, 411 Lexington Ave., New York, N. Y. John O. Murtaugh, 367 Merchants Bank Bldg., Elmira, N. Y. Alvin Wolff, 150 Broadway Room 1316, New York, N. Y.

Watch for news on four unusual life insurance plans which will assist these general agents and others to build their organizations.

AGENCY franchises available in New York State. Direct inquiries are invited, address



B. L. Busfield, Retail Credit; reception, Jacques Fink, United; entertainment, Charles F. Stewart, Cleveland Insurance Agency; women, Ethel Smith, Great Northern Life; program, Charles J. Ford, Ford agency; speakers, H. H. Nunamaker, Columbian National Life; publicity, John L. Murray, Monarch Life, and leading producers, H. H. Arkema, National Casualty. William A. Knight, Federal Life & Casualty, is general vice-chairman.

The meeting will have as its theme "Security—The American Way." A feature of the entertainment will be a night ball game between the Cleveland Indians and another American League

Maupin Des Moines Speaker

Wyatt E. Maupin, Cedar Rapids manager of Business Men's Assurance, will address Des Moines Assn. of A. & H. Underwriters Jan. 10 on "Prof-itable Accident and Health Underwrit-

M. F. Fisher, whose election as a director of the Kansas City A. & H. Underwriters Assn. was reported in the Dec. 17 issue of The NATIONAL UNDERWRITER, was incorrectly identified as being with George Rogers Clark Mutual Casualty. He is with Guarantee Trust

Edwards Agency of Aetna Again No. 1 In Company For 1948 Paid Ordinary

No. 1 position in paid ordinary life volume was taken in 1948 by the Rock-wood S. Edwards general agency of Aetna Life, 120 South La Salle street, Chicago. This was the sixth time that the agency has won the honor of leading all Aetna agencies in paid ordinary. The other years were 1942 and 1944-47, inclusive.

inclusive.

The ordinary volume last year was over \$12½ million and group total was about \$190 million.

In addition, the agency was second in paid group business and third in paid accident volume. It also led the country in recruiting, which item is based on production from new organization, including first and second year agents.

The ordinary formes include no pen-

The ordinary figures include no pension trusts, retirement annuities or re-

sion trusts, retirement annuities or re-airement income policies.

The agency during the year also passed the \$1 billion mark in the amount of group insurance in force on its books covering nearly 1,200 group contracts.

Brooklyn Educational Course

The Brooklyn branch of the Life Un-derwriters Assn. of New York City this week inaugurated a career course in life underwriting. It will be conducted each Thursday from 2:30 to 5 p.m. through

April 7, 14 weeks.

Members of the "billion dollar faculty" are James E. Bragg, Guardian Life of New York; Solomon Huber, Mutual Benefit; Osborne Bethea, Penn Mutual; Harry Krueger, Northwestern Mutual; Brooks Palmer, Equitable Society; Leon Gilbert Simon, Equitable Society, and Edwin H. White, Actna Life

District Manager

Robert S. Lawrence, whose appointment as St. Paul district manager for Northern Life of Seattle was reported in the Dec. 24 issue, is an alumnus of University of Minnesota and later served as a bomber pilot in the



NEWS OF LIFE COMPANIES

48 Results Enable Standard Life to Expand in '49

Profits of Standard Life of Indiana for 1948 were sufficient not only to build up reserves and surplus and pay a rea-sonable return to stockholders but will sonable return to stockholders also permit the company to conduct a new expansion promotional campaign in President Harry V. 1949, according to President Harry

Mr. Wade said that Standard Life has not expanded the scope of its activities since 1942 but now contemplates a much larger advertising program in trade journals, outdoor advertising and direct mail. The company is licensed in 14 states and is planning to expand into others.

During 1948 admitted assets rose to \$7,460,022. Capital and surplus funds exceed 10% of assets. Insurance in force rose to slightly more than \$52 million and new business was \$8,488,821. The company started business 13½ years

Gala Fete to Mark Federal Life's 50th

This year will mark Federal Life of cago's 50th anniversary. A gold-anniversary

program has been planned. The company was founded by Isaac Miller Hamilton in September, 1899. One of the high-

lights of the golden anniversary year will be a convenwill be a conven-tion to be held next September at the Edgewater Beach hotel. Approxi-

mately 150 qualified producers and guests will attend guests will attend the convention and at a banquet to be given at that time they will be joined by the home office staff. It is expected that the banquet will be at-

is expected that the banquet will be at-tended by 500 or more members of the Federal Life family. The convention will also commemorate Mr. Hamilton's 85th birthday and his 10th anniversary as chairman. It will be the 10th anniver-sary of the elevation of L. D. Cava-naugh as president and his 35th anni-versary with the company.

Flood of SS Bills Hits

Among many social security bills in-Anong many social security bins introduced in Congress, one by Rep. Dingell, Michigan, proposes "to restore the status quo as of June 13, 1948," in social security coverage, which is understood to propose, in effect, repeal of the Gearhart

Rep. Celler, New York, offered a bill to provide a national health insurance and public health program.

Franklin's In-Force Up \$110 Million; **Total \$650 Million**

Franklin Life ended 1948 with a gain in insurance in force of approximately \$110 million, bringing the total over \$650 million. This gain is the greatest ever shown in any single year and was an important factor in the company's doubling in size within the past three total over

Assets increased from slightly under \$108 million to nearly \$124 million during the year. Surplus increased to a total of almost \$8 million.

Entry into several additional states is contemplated during 1949.

Minn. Mutual Tops Record

All records for examined business in any single month were broken in De-cember when Minnesota Mutual agents submitted \$18,477,442 of business in honor of President Harold J. Cummings, Almost half the agencies examined more than \$100,000 in new business, with two agencies exceeding the million-dollar mark and seven agencies having between \$500,000 and \$1 million.

As a new year's card, Security Life & Trust of Winston-Salem sent out an I.B.M. punch-card which if placed in the right machine will automatically print a new year's greeting.

C. L. U.

Indianapolis CLU Holds **Annual Economic Forum**

The annual Economic Forum of the The annual Economic Forum of the Indianapolis C.L.U. had as its guests this year local business and professional men and bankers. Under the direction of Dr. E. J. Hedges, professor of insurance at Indiana University, a panel of three of the university's school of business professors led a discussion on "The three of the university's school of business professors led a discussion on "The Economic Outlook for 1949." Participating were H. C. Sauvin, professor of finance: George W. Starr, director of the school's bureau of business research; and R. C. Turner, professor of hericare and hericare transfer.

business administration.

J. Russell Townsend, associate general agent Equitable of Iowa, presided. The program was under the direction of R. I. Blakeman, Penn Mutual.

Preparatory Course at L. A.

Stanford Bissell is giving a series of 20 weekly lectures on life insurance for University of California extension division at Los Angeles as a preparatory course for part A of the C.L.U. examinations. Mr. Bissell is a C.L.U.

Frank E. Quinn, assistant director of veterans administration branch office insurance service at St. Louis, has been appointed director. He formerly was with Equitable Society.

WANTED **ACCIDENT & HEALTH UNDERWRITER**

We need an able and experienced commercial underwriter. We are a midwestern company operating nationally with over a half billion life insurance in force and with an accident and health premium income (including group) in 1947 which ranks us fifth among stock companies.

If you have the necessary qualifications and are considering a change in position then write us a letter giving pertinent facts. We are prepared to pay a good salary to the man selected, and in addition, group life, hospitalization as well as membership in our salary savings and profit sharing fund is available. This is a real opportunity.

Our own people know of this ad. Address all inquiries to The National Underwriter, Box S-83, 175 West Jackson Blvd., Chicago 4, Illinois. Replies will be held in confidence and arrangements will be made for a personal interview.

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AMONG COMPANY MEN

Home Life Realigns Duties as Entry in **Group Field Nears**

Home Life of New York has made several changes in titles and official re-

sponsibilities among its officers. William P.



w. P. Worthington

Worthington, agen-cy vice - president, and Howard C. Spencer, vice-president and general counsel, have been elected vice-presi-

dents.
Mr. Worthington will continue to have general direc-tion of all agency and sales activities

w.P. Worthington and sales activities of the company, including group insurance. In addition, a reallocation of duties in the agency department will permit him to broaden his activities in other phases of the insurance end of the business.

Mr. Spencer will continue to have over-all direction of the legal affairs of the company, but the change similarly



E. C. Kelly

H. C. Spencer

will enable him to take on other general

will enable him to take on other general administrative responsibilities.

John F. Walsh, manager of agencies, will have charge of the field administration of all agencies. Eugene C. Kelly, manager of agencies, will have charge of the home office administration of the agency department.

Low an Ass't Vice-President

Francis H. Low, manager of agencies, has been appointed an assistant vice-president. Under Mr. Worthington's direction, Mr. Low will devote his at-tention primarily to the development of agency activity in Home Life's new program of offering adequate employe

insurance.

Alan B. Doran, an assistant secretary, has been appointed an assistant vice-president. He will continue to give primary attention to the various phases







sel, has been appointed counsel and will head the law department. He will be assisted in his administration of the law department by Frederick W. Read,

James A. McCrystal, attorney, has been appointed assistant counsel. The major portion of his time will be occupied with the legal aspects of group activities.

Busher Field Supervisor

David A. Busher, who has been an agent of Monarch Life at Winsted, Conn., affiliated with the Hartford agency, has been appointed home office field supervisor. He has been one of the company's leading producers and in 1946 won its award for all-round excellence of performance of performance.

Rosner Manages Region

Alfred D. Rosner, who has been manager of Prudential district office 3 in Newark for three years, has been ap-pointed regional manager in the district agencies department in the home office. He will supervise the New York City area. Mr. Rosner joined Prudential at Englewood, N. J., in 1934, becoming assistant district manager there in 1937.

J. W. Martin Retires

J. W. Martin of Portland, Ore., resident vice-president of Loyal Protective Life, retired the first of the year, but will continue to do some claim work for

Group Service Representatives at Dallas and Shreveport

-WANTED

A nationally known company writing life, accident & sickness and hospital-surgical group lines has two attractive openings for SALARIED field service representatives.

Familiarity with claim work is desirable but not essential, as the successful candidates will be trained on the job. The chief qualification is the ability to work successfully with other people. We would prefer men under age 35.

Both positions will require extensive travel over the territories served. One man will headquarter at Dallas, Texas, and the other at Shreveport, Louisiana. Salaries will be commensurate with ability and experience.

All replies will be acknowledged and personal interviews with the best qualified applicants will be arranged as soon as possible. Please give full particulars re education, experience, past earnings, etc., in your first letter - which will be held in strictest confidence.

> Address Box S-88, National Underwriter Co. 175 W. Jackson Blvd., Chicago 4, Ill.

Loyal. He started with Loyal Protective in 1928 as an agent at Spokane, Wash., became general agent in 1932, western field supervisor in 1936 and resident vice-president in 1943. Mr. Martin Pacific Mutual Issues has been active in association work and served for several years on the executive board of National Assn. of A. & H. Underwriters.

John J. Crane, field supervisor, is now in charge of the Pacific Coast territory.

of the financial administration of the agency department. George A. Richardson, assistant coun-Canadian Chief

Frederick A. Wade has been named superintendent of agencies for the Canadian division of New York Life.
Mr. Wade has been inspected of agencies

inspector of agen-cies in Canada since 1943, and for since 1943, and for 17 months previously had been manager at Toronto. He joined the company as an agent in 1923 at Renfrew, Ont., and he became a senior Nylic in 1943. He



is a former mayor of Renfrew, and a C.L.U.

The Canadian territory, formerly designated a department, has been advanced to the status of a division because of the increased business done in Canada.

Fogg, Green Named Training Assistants by Penn Mutual

John B. Fogg, formerly of the Newark agency of Penn Mutual Life, and Gardner H. Green, formerly of the





John B. Fogg

G. H. Green

company's Bethea agency in New York City, have been appointed training assistants in the agency department.

New Appointees' Careers

After graduating from Rutgers in 1924 Mr. Fogg was employed in the Rutgers' library and received a degree in library science from Drexel Institute. He became librarian of the public library at New Brunswick and later at Orange and then instructor in the Drexel Institute library school. He is a past president of the New Jersey Library Assn. and of the Orange Rotary Club and has been a leader in the Y. M. C. A., Boy Scouts, and Community Chest. He joined the Rasmussen agency in Newark in 1945, specializing in training work.

Mr. Green graduated from Davidson College in 1929, going with the New York Stock Exchange's personnel department and then with Bankers Trust Co. of New York City. He joined the Bethea agency in 1945, Since returning from the army, where he became a major, he has been with the agency, devoting most of his time to supervisory work. He is a C. L. U.

J. W. Schlenz Named Actuary

Federal Life & Casualty has appointed J. W. Schlenz as an actuary. Mr. Schlenz holds a master's degree in actuarial science from University of Michigan. He served as a naval officer in the war.

POLICIES

New Five-Year Term

Pacific Mutual Jan. 1 released a new non-participating five year renewable and convertible term policy. It is renewable through age 64 (renewal at ages 60 to 64 will provide coverage to age 65) and convertible as of attained

age 65) and convertible as of attained age before age 62 to non-participating whole life or higher premium plans. Minimum policy is \$5,000; maximum, \$100,000. Annual premiums are:

Age Prem. Age Prem. Age Prem. Age Prem. 20 6.79 31 7.45 42 10.84 53 23.18 21 6.84 32 7.57 43 11.48 54 25.00 22 6.89 33 7.73 44 12.19 55† 26.94 23 6.94 34 7.91 45 12.96 56† 29.07 24 6.99 35 8.13 46 13.88 577 37 31.39 25 7.04 36 8.38 47 14.87 58† 33.90 26 7.08 37 8.66 48 15.97 59† 36.64 27 7.13 38 8.98 49 17.18 60† 39.62 28 7.19 39 9.36 50 18.50 61† 40.86 29 7.26 40 9.79 51 19.93 62† 42.47 30 7.34 41 10.28 52 21.49 64† 45.62

tFor renewal purposes only.

George Washington Issues Disability Income Rider

George Washington Life has added a new income disability plan which pro-vides for waiver of premium and monthly indemnity benefits of either \$5, \$10, \$15 or \$20 per \$1,000 of basic policy exclusive of term insurance.





The JUNIOR Record Book. (Loose-leaf)

Announcing a New DALLWIG Commission RECORD

and at

Standard Dallwig Record Same Quality Record Sheets Same Size Record Sheets

making them interchangeable should you later wish to transfer them to the higher priced STANDARD REC-ORD book. The only difference is in the Binder and the Index set.



The STANDARD Record Book. (Loose-leaf)

Quit Guessing

For almost a quarter of a century the Dallwig Policy Register and Commission Record has faithfully served thousands of life insurance salesmen both here and abroad both here and abroad.

Start the New Year with this remarkable Record book.

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When the income disability rider is attached to endowments, income payments will be made only to maturity of policy in event insured becomes totally and permanently disabled. When at-

and permanently disabled. When attached to life plans, the rider provides for monthly payments for a total of 10 full years (aggregrate).

This plan will be issued ages 20-45 (inclusive) to standard risk applicants and total and permanent disability of the insured must occur before age 55. Non-medical rules will apply. Limits are \$50 monthly benefit minimum and \$150 maximum. \$150 maximum.

Western Life's New Form

Western Life has designed a mortgage protection policy on decreasing term basis to cover periods of 10, 15, 20 or 25 years with premiums payable for 7, 10, 15 and 20 years respectively. Illustrative premiums are:

		Dividends End of Year				
Age	Ann. Prem.	1	5	io	20	Yrs.
20	15,94	2.25	2.61	3.55	5.49	71.77
25	18.19	2.41	2.78	3.70	6.00	77.07
30	20.98	2.55	2.94	3.84	6.52	82.53
35	24.49	2.71	3.11	3.99	7.04	88.05
40	29.02	2.78	3.27	4.34	7.73	95.57
45	35.07	2.83	3.32	4.44	7.97	97.91
50	42.55	2.86	3.62	5.13	8.77	108,49
55	53.00	3.12	4.12	5.98	9.83	122.71
60	67.18	3.38	4.61	6.83	10.90	136.97
65	86.55	3.65	5.10	7.67	11.96	151.03

The company has reduced premium rates and dividends under its preferred risk ordinary life participating policies. Premiums and dividends at quinquennial

Age	10 Yr.	15 Yr.	20 Yr.	25 Yr.
20	4.64	4.57	4.21	4.18
25	5.29	5.33	4.99	5.07
30	6.18	6.49	6.20	6.43
35	7.78	8.24	8.03	8.46
40	10.07	10.91	10.79	11.52
45	13.57	14.95	14.94	
50	18.87	21.01		
55	26.88			

Columbus Mutual Changes

Columbus Mutual now is issuing juvenile 20 payment life, 20 year endowment at 18 policies

There Is a Reason ...

Why the Wisconsin National Life field underwriter is successful in his chosen career

He is fully equipped to cover the insurance needs of the buying public.

- A complete line of Life, Endowment and Term plans
- Accident and Health
- Hospital and Surgical Expense
- Juvenile with Premium Payor Disability
- Non-medical
- Sub-standard insurance
- Insurance on Women
- Retirement Income
- Mortgage Redemption
- Paymaster Plan
- Single Premium
- Salary Savings

We have splendid openings for under-writers in Wisconsin-Michigan-Minnesota

Write the Agency Department of

WISCONSIN NATIONAL LIFE INSURANCE COMPANY

Oshkosh, Wisconsin

Established 1908

R. P. Boardman, President

with full benefit at age 1. Juvenile of issue for endowment at 65 to 55 and ordinary life and endowment at 60 still has been issuing 20 payment endowwill provide full benefit at age 5.

The company has extended the ages of the first age 1. The company has extended the ages 1. The company has extended the ages 1. The company has extended the ages 1. The company has a company has

New Ohio National Dividends for 1949

Ohio National 402

Life has recalculated its entire
dividend scale for
policies issued
since Jan. 1, 1947.

Premium

2 254 27.47

2 20.58 3.64

2.65 3.90 Ohio National -CSO 21/2% 35 27.47 40 45 55 32.42 38.79 58.52 4.20 4.85 5.14 The dividends be- Prem gin smaller than those in effect since Jan. 1, 1947, but increase more rapidly in the early years and always exceed those on the old scale after the policy has been the in force a few The entire re-

duction in the early years' divi-dends is dends is redis-tributed throughout the premium 20 Yrs. Prems. 409.60 20 Yrs. Div'ds. 83.52 20 Yrs. NET. 326.60 in every case the 20 Yrs. NET. 326.71 16.30 in every case the 20 Yr Cas Val 261.11 son at the end of Average Cost... 3.25 the premium paying period is improved, Dividend accumulations for 20 years, and to age 65, in most cases are about the same, in-creased a dollar or so on some plans and reduced lightly on others.

Except for single premium plans, the first dividend will be payable at the end of the second year under all forms issued after (third year for modified 3).

A page repro-duced from the 1949 Little Gem

Life Chart illustrates the new dividend schedule that has been adopted.

10 Yrs. Prems. 204.80 re- 10 Yrs. Div'ds 32.11 the Av. Net Pay't. 17.27 livi- 10 Yr. Cach Val 105.04 dis- 10 Yr. Cach Val 105.04 dis- 10 Yr. Cost..... 67.65 Average Cost.... 67.7 35 40.54 ö 5 Cash 1949 20 Yrs. Prems. 671.40 r for 20 Yrs. Div'ds. 112.97 20 Yrs. NET... 558.43 Av. Net Pay't. 27.93 repro20 Yr Cash Val 551.37 r the Average Cost... 7.66

NEWS OF LIFE ASSOCIATIONS

Denver Assn. Sponsors Broadcast: Dean Is Speaker

In the recent broadcast sponsored by Denver Life Underwriters Assn., Edward J. Allen, dean of academic administration of the University of Denver, drew an optimistic picture of the various economic factors, though making it clear that governmental policy is vastly more significant in studies of the business cycle than ever before in history. He pointed out that industry is spending much for new plans and equipment, that in spite of plans and equipment, that in spite of increased plant capacity there are still serious shortages to be overcome in steel, nonferrous metals, automobiles and capital goods and that probably it will be 1950 before production can catch up with demand in most of these lines. Another great source of support for the economy for 1949 is to be found in the continued and persistent demand for private housing and many durable items. and many durable items.

Texas Assn. Hits Big Time

Richard N. Lewis, manager at Austin for Great National and president of Texas Assn. of Life Underwriters, told Fort Worth and Dallas associations that the state body has come of age and that they must stand up and be counted

on the problems of mass selling, savings bank life insurance and the issuance of special policies. He advocated that special policies. He advocated that studies be made of the potential market, studies be made of the potential market, city by city; of the waste of lapsed in surance, the earnings and minimum qualifications of agents, protection for lower income groups and disability developments. Now that the state association has instituted a permanent secretarial office, it is much interested in increasing appollment to include a large creasing enrollment to include a large percentage of the more than 19,000 life insurance producers in the state.

So. California Caravan Schedule Is Announced

LOS ANGELES — The schedule for the Southern California Caravan of California Assn. of Life Underwriters so far arranged includes: Bakersfield Jan. 28, Orange Belt Feb. 18, Glendale March 18, Pasadena March 31, Long Beach April 13, Santa Barbara-Ventura April 22, Santa Monica May 18, Santa Ana May 20. May 20.

The caravan committee is composed The caravan committee is composed of Robert L. Altick, Massachusetts Mutual, chairman; Jack White, Prudential, vice-chairman; G. Nolan Bearden, New England Mutual; Richard E. Evans, Massachusetts Mutual, and Robert Lang. Messrs. Bearden, Evans and Lang will bear the brunt of the speaking at all stops, but in addition each meeting will be addressed briefly on association affairs by Gerald W. Page, president Los Angeles association; Russell L. Hoghe, vice-president state association, and Charles E. Cleeton, N.A.L.U. trus-

Manhattan, Kan.—Corlett J. Cotton Northwestern Mutual, Lawrence, will speak Jan. 8.

Northern New Jersey—A luncheon meeting will be held at Newark Jan. 20, when Harold M. Stuart, C.L.U. executive vice-president of Prudential, will speak.

New Jersey—The annual sales con-ress will be held in May at Asbury

Park.

Pittsburgh—Wendell R. Holmes, field training instructor of Metropolitan Life will be the speaker at the Jan. 12 meeting of the Washington, Pa., branch.

Carlyle P. Ruhl, Prudential district manager at McKeesport, will address an evening meeting of Fayette county branch at Uniontown Jan. 11 on "Our Essential Potential in 1949."

Topeka—Panel leaders for the January sales congress will be Edna Richert, Penn Mutual; Gerry Hayes, Massachusetts Mutual, and Dale Carmean, New

RECORDS

PAN-AMERICAN—December was the best paid-for month in company history with a total volume of \$7,300,000. Insurance in force for the year gained 11% over 1947, bringing the total in force to \$352,000,000. Assets now exceed \$33 million with surplus fund of \$6 million.

\$352,000,000. Assets now exceed \$33 million with surplus fund of \$6 million.

GREAT-WEST—The best December on record was chalked up with new business of \$19,625,107 boosting 1948 figures over 1947. The Chicago agency led the company with its fifth consecutive year of over \$20 million in new business while 31 branches exceeded their 1947 figures.

E. B. Ames, Newark manager of Phoenix Mutual Life, reports a 12% increase in premiums and 11% in volume of business in 1948, breaking all records since the agency was established.

Fred S. Fern, Newark general agent of National Life of Vermont, made 44% increase in volume and 100% in annual premiums in 1948, a new record for the agency in Newark and the largest increase of any agency of the company.

The B. A. Million agency of Northwestern Mutual Life at Evansville, Ind, rolled up in 1948 the largest volume in its 20-year history. The leading district agent was Richard J. Moser of New Albany.

Must Pay for Air Death

The South Dakota supreme court has reversed the trial court and held that a policy that excluded participa-tion in aeronautics covered death rewar as the result of Japanese anti-aircraft fire. The court held that the insurer did not sustain the burden of proving that the insured died from a risk excluded by the policy. The case was Temmey et al. vs. Phoenix Mutual.

THE **UNITY LIFE & ACCIDENT** INSURANCE ASSOCIATION

Insures The Whole Family

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

E. R. DEMING

L. J. BAYLEY

HOME OFFICE - SYRACUSE, N. Y.

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SALES MEETS

Manager Conferences Held by Ohio State Life

Ohio State Life has just concluded a series of conferences for agency managers and general agents in Indiana, Ohio, Pennsylvania, West Virginia and Kentucky. Plans for the coming year were outlined. The slogan, "Hit the Line in '49," was adopted. The conferences were under the general direction of Frank L. Barnes, vice-president and director of agencies.

Edwards Agency School

A comprehensive school for Ch brokers on the fundamentals of life surance, to operate for eight weel to be conducted starting Feb. 22 b Rockwood S. Edwards general agency of Aetna Life in that city. It will need to be conducted starting feb. 22 b Rockwood S. Edwards general agency school of Aetna Life in that city. It will need to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency surance, to operate for eight weel to be conducted starting feb. 22 b Rockwood S. Edwards general agency suran director of agencies.

Penn Mutual Has Ia. Rally

A two-day conference of the Des Moines agency of Penn Mutual Life was held Jan. 5-6. Edmund P. Connolly, Des Moines general agent, was in charge. Second Vice-president Wallis Boileau, Jr., was the principal speaker. The Des Moines agency includes 48 counties in central Iowa.

Union Nat'l Managers Meet

A three-day meeting of Union National Life district and territorial managers from eight states was held at Lincoln, Neb.

Speakers included Managers Sherman Huff, Topeka; Harley Graff, Aberdeen, S. D., and W. D. Jellison, Omaha.

Cal-Western Meet Jan. 9-12

California-Western States Life will hold a managers' meeting at Coronado, Cal., Jan. 9-12, followed by the agency convention of El Capitan Club.

More than 200 will be on hand Friday and Saturday for the annual convention of Great American Reserve at Dallas. On Friday there will be one meeting for the group and franchise departments and another for the individual sales organization, but on Saturday all hands will assemble at one place. A cocktail party and hanguet are sched-A cocktail party and banquet are scheduled for Saturday.

Jefferson Standard will hold its eastern regional convention at the Greenbrier hotel, White Sulphur Springs, W. Va., Aug. 14-17 and its western regional at Huntington hotel, Pasadena, Aug. 28-31. The Mississippi river is the territorial dividing line.

AGENCY NEWS

Parsons Celebrates Record Year at Chicago Luncheon

Year at Chicago Luncheon

The Bruce Parsons agency of Mutual Benefit Life at Chicago celebrated the best year in its 11 year history at the annual luncheon. Overall production was up 20% this year. Over \$9 million in new business, excluding annuities, was chalked up with new annual premiums in excess of \$500,000. Total business now on the agency books exceeds \$100 million with paid life business of more than \$84 million.

James B. Crowley is the leading producer of the agency. He is a life and qualifying member of Million Dollar Round Table. Waldo Thorsen and Irving T. Goldie were also honored for production records.

Service plaques were presented to two agents, Edward D. Holmes, for 40 years' service and Samuel F. Hertz, 25-year veteran, and to Mr. Parsons for 25 years with the company.

Principal speaker was Louis Morrell, superintendent of the special risks division of Continental Casualty, who explained the double indemnity contract of that company which the Mutual Benefit agents are selling. Also speaking briefly was Robert W. Wilkinson, regional superintendent of agencies at Chicago, who only recently arrived at his new post.

Brokerage was up 100% in the year. James T. Allen has been named assist-

ant to Charles Unger, the brokerage manager. A new lead department has been established with a full-time secretary in charge. More than half the agency, 14 men, are members of the President's Club of Mutual Benefit.

hold a desk for an agent who produces no more than \$200,000.

Little Rock Elects Wilson

Larkin M. Wilson, Equitable Society, has been elected president of the Little

A comprehensive school for Chicago brokers on the fundamentals of life insurance, to operate for eight weeks, is to be conducted starting Feb. 22 by the Rockwood S. Edwards general agency of Aetna Life in that city. It will be under direction of Carl F. Tagge, su-

pervisor.

Classes will be held from 6:30 to 8 p.m. Tuesdays in the agency's quarters, with a limit of 15. There will be no tuition fee and class material will be furnished without cost for use in the course. One of these schools is held each spring and fall.

N. E. Mutual Has Kan. Rally

The Kansas agency of the New England Mutual held its annual meeting at Topeka with 35 members attending. General Agent Pendleton A. Miller reported the agency had secured 110% of its quota for the year, with more than \$2 million of new paid business. Elmer Holm, Topeka, was the leading producer. Mr. and Mrs. Miller entertained the agents and their wives with a party at their home.

Agency Erects Building

Associate General Agents G. Bradley Roe, Ray Marantz and Raul M. Nieto, who head the El Paso, Tex., general agency of Reserve Loan Life, have erected their own office building there. Eight officers and department heads from the home office in Dallas attended the dedication ceremonies and open house was held for more than 200 guests.

Boner Agency Celebrates

Members of the Baltimore agency of Massachusetts Protective and Paul Revere Life were entertained at dinner and theater by Cloyd E. Boner, general agent, in celebration of a 20% increase in sales of non-cancellable A.&H. and life insurance during the final three months of 1948.

The Rasmussen agency of Penn Mutual at Newark will hold an all-day meeting at the Down Town Club, Newark, Jan. 17, at which plans will be made for 1949.

Donald J. Daub, a leading producer for Northwestern Mutual Life at Rich-mond for some years under General Agent W. Tolar Nolley, who retired recently, is joining Connecticut Mutual under J. Robert Nolley, formerly as-sistant general agent there for North-

MANAGERS

Seattle Managers Assn. **Discusses Marginal Agent**

SEATTLE — The problem of the marginal agent this year was the subject for discussion Monday at the luncheon meeting of the Life Managers Assn. Austin Thayer was the moderator in a forum, and gave his experience and views on the subject. There was some thought along the line that even a \$200,000 producer today is marginal.

An angle of the subject which was treated was living costs and expenses of business operation. It was presented that HCL may have reached the point where minimum family budget is greater than the net income which can be derived from \$200,000 of average business. An angle also was cost of agency oper-

An angle also was cost of agency operation, and the question was raised whether an agency head can afford to

Larkin M. Wilson, Equitable Society, has been elected president of the Little Rock Managers & General Agents Assn. George H. Wittenberg, Jr., Massachusetts Mutual, is the new secretary-treas-

O., will be the speaker at the Jan. 11 luncheon meeting of the Pittsburgh Life Managers Assn. at the Duquesne Club. His subject will be "Who Interprets Your Service to the Public?"

has been elected president of the Little Rock Managers & General Agents Assn. George H. Wittenberg, Jr., Massachusetts Mutual, is the new secretary-treasurer.

C. Harry Emanuelson, general agent of Massachusetts Mutual at Columbus, defended by the company, going with the J. H. Eades agency of Fort Collins, Colo.



"Wild-catting is risky in business too"*



*Capitol Life Agency Managers and Field Underwriters seldom suffer "dry holes" in the richly resourceful West!

*Exceptional opportunities in Colorado, Nebraska, Kansas and Wyomina.

THE CAPITOL LIFE

Insurance Company CLARENCE J. DALY, Pres. HAROLD B. WENDELL, Dir. of Agencies HOME OFFICE DENVER, COLORADO

Earl L. Cook has been appointed unit manager of the Fargo office of Prudential, which is affiliated with the St. Paul office. His territory will include all North Dakota and 17 counties in Minesotte. in Minnesota.

WANT ADS

ACCIDENT AND HEALTH MANAGER

Long established substantial and fast growing mid-west life, accident and health and hospitalization company has opening for qualified home office claims department manager and assistant manager in the Accident and Health Department. Opportunity unlimited and salary open for outstanding man who wishes permanency and progress. Write full details of qualifications and past experience to S-86, the National Underwriter, 175 West Jackson Blvd., Chicago 4,

ACTUARY WANTED

WELL KNOWN RAPIDLY **GROWING COMPANY WANTS** AN ACTUARY (FELLOW OR ASSOCIATE) TO SPECIALIZE IN GROUP PROBLEMS. SAL-ARY OPEN. GROUP EXPERI-ENCE DESIRABLE BUT NOT

OUR STAFF KNOWS OF THIS ADVERTISEMENT.

Address Box S-91 NATIONAL UNDERWRITER 175 W. Jackson Blvd. Chicago 4, Illinois

General Agent Wanted

An excellent opportunity for a life, accident and health agency with special appeal to lifetime income disability. Producers desirous of developing an exclusive territory. Initial boost by having thousands of good leads without cost; attractive commissions. We are not promising the world with a fence around it, but we sincerely believe this is as good a deal as you will find anywhere. Only experienced agents are invited to write J. F. Kutak, Guarantee Reserve Life Insurance Company of Hammond, Indiana.

WEST COAST DISTRICT MANAGER WANTED

A well established, state-wide, agency of a large Mutual company is looking for the right man as District Manager at Eugene, Oregon. The agency is also expanding at Mediord and Elameth Falls. Oregon. All interested persons send full details of experience and a small photograph if possible. Interview will be arranged at the Company Home Office in the Midwest. Address 5-93, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Sales Techniques Are Told by First Year Producers

NEW YORK-In order always to have someone to see, and to aid in the nave someone to see, and to aid in the coordination of personal calls, John Ames of the Arthur V. Youngman agency in New York City finds the use of a name book invaluable. One of the 25 leading producers among first-year agents of Mutual Benefit here for a stronday meeting. Mr. Ames outlined his two-day meeting, Mr. Ames outlined his methods of collecting names during a

bypical day.

During breakfast his wife referred to a woman acquaintance with whom she was working on a church activity. Ames wrote the husband's name down. On the way to his office he gave a lift to a stranger who turned out to be a new resident in the neighborhood. His name was listed. The local paper pro-vided more names, as did a lunch con-

Makes Notes on Names

Mr. Ames pointed out that he also makes a note beside the name indicating the source of the information or if some special situation has produced the name for him that is noted.

The degree that prospects (customers) service prestige of the business

ers), service, prestige of the business and knowledge of the business are in balance, is the key to the success of most businesses. This is not true of the life insurance business, Michael E. Tonlanovich, of the Grand Rapids

agency, said. He cited the example of a hardware store which through the quality of its service and merchandise and the knowhow of its management could, after a period of time, ease off on its advertis-ing for new customers. Another example that he used was that of a doctor who once having built a good practice has little need to seek for more patients.

In the life business, prospecting can

never stop. The very momentum of the business is supplied by prospecting. All of the other factors contributing to a successful business are no good without prospects. Mr. Tonlanovich said, further, that prospecting should be diversified. He advised diversification by occupa-tion, age, kinds of needs, and in the time of day that prospects are available.

Newlyweds Make Good Prospects

He has achieved a good deal of success in prospecting among newly married couples. He obtains the names through the local papers which usually include the new address where the couple will be living. From 30 to 60 days after the couple have been in their new Mr. Tonlanovich calls on them. By this time he feels that the newly-weds have their budget pattern fairly well worked out. Mr. Tonlanovich in-troduces himself to the wife and says that he is there making a survey on savings.
At this time a future meeting is ar-

this time a future meeting is arranged between the husband, wife and the agent, often in the evening. It is at the second interview that an insurance program is set up for the young couple and in many cases the sale is made.

Identifies Self with Prospect

William F. Temple, Jr., Oklahoma City, said that he thinks one of the most important things to a successful life sales career is the ability of the agent to identify himself with the prospect. If possible, he advises doing it be-fore the initial call. The agent should

fore the initial call. The agent should determine what he has in common with the prospect he is going to see.

On the first call he can learn the make-up of the family, both financial and psychological. Following this initial call, Mr. Temple makes many notes on the family, over and beyond the immediate insurance program he may have diate insurance program he may have worked out with them.

He suggests that a new agent be allowed to handle a death claim as soon as possible. Such claims illustrate the

end result of life insurance and in many instances will act as a spur to the new agent's efforts.

The value of following agency pro-

rine value of following agency procedure that has proved successful in the past, was stressed by Max S. Kravetz, of the Solomon Huber agency in New York City. He listed as one of the steps that are used by the Huber agency as implement to successful sellagency as implement to successful selling, sending a list of prospects a copy of the Huber office publication, known as the "Notebook," for three or four weeks prior to sending a pre-approach letter. The initial interview follows the pre-approach letter, during which time information is taken and the client's problems established.

During this interview Mr. Kravetz seeks new names of qualified prospects offering his service and the service of

offering his service and the service of his organization to "two or three" ac-quaintances or friends of his immediate

The next step is working out an analysis on the information gathered, and attaching to it a recommendation for a certain type of policy. When this is done, the solution interview is set up. It is during this interview that Mr. Kravetz makes a medical examination appointment for the prospect. He also uses it as a second opportunity to obtain names of more prospects.

The next step is called the delivery

interview, at which time the client, hav-ing been examined by the doctor, is accepted and the first payment is made. Very often the client's attorney is called in on this interview to assist in co-ordinating the entire estate. Mr. Kravetz asks the attorneys for prospective clients, pointing out if such prospects develop into policyholders future legal aim ay be necessary in drafting wills or writing buy-and-sell agreements.

Finally, policy delivery is made, accompanied by a booklet, showing the entire coordinated property and insurance plan that has been drawn up for the client.

Lists Good Agent Habits

The habit of doing favors, liking strangers, being observant, and holding to a systematic working schedule mark the successful agent, Robert D. Cottingham, of the Murrell Brothers agency in

an Francisco, declared. He also made the point that the agent who works in a widespread territory which prevents him from getting into the agency office on frequent occasions, must analyze his territory and deter-mine its potentials.

\$137 Million Savings Bank Life in Force in New York

The 40 issuing banks and 25 agency banks in New York state sold \$26,500,000 of savings bank life in 1948, bringing total in force to \$137,400,000, up from \$114,100,000 at 1947 year end. The number of policies increased from 90,900 to 104,600 and the average size policy from \$1,255 to \$1,314.

A factor in the 20% growth during the year, according to Clarence B. Plantz, president Savings Bank Life Insurance Fund, was the increase in the individual

Honor Huppeler Record Year

Lambert M. Huppeler, general agent of England Mutual Life at 527 Fifth avenue, New York, was given a celebra-tion breakfast by his asociates Jan. 3. It marked the conclusion of Mr. Huppeler's first year with New England Mutual and the fact that his agency, by producing an average of more than \$1 million a month in 1948, led the com-

pany's agencies in new paid-for business. Mr. Huppeler has devoted his entire business career to life insurance since he was graduated from the University of North Dakota in 1932.

Tex. Osteopaths Attack Blue Cross; Charge Discrimination

AUSTIN, TEX.—A hearing was held by Commissioners Butler and Gibbs on a charge that Blue Cross, operating in Texas as Group Hospital Service, is violating the law through restricting payments for hospital services to hospitals approved by American Medical

The complaint was brought by osteopathic physicians and osteopathic hospitals in Texas. It was established that Blue Cross had refused to pay for hospitalization in osteopathic hospitals except in emergencies. Osteopathic doctors testified that they had advised their patients, when asked concerning the payment of hospitalization by Blue Cross, that to receive such payments the patient would have to be removed to another hospital. In some cases they had recommended the M.D. and hospitals which would qualify under the Blue Cross policy provisions.

N. Y. Life Advisory Council

The following are members of the

The following are members of the agents' advisory council of New York Life elected at the fall meetings of the production clubs: Top Club, J. E. Josephs, Charlotte, N. C.; E. H. Tetzlaff, Ventura, Cal.; H. L. Eichelberger, Clinton, S. C.; Eugene Lysen, Chicago; Alfred R. Autry, Tulsa.

Star Club, A. R. Labusohr, Passaic, N. J.; W. H. Powell, Buffalo; A. L. Atchison, Lexington, Ky.; E. D. White, Allentown, Pa.; S. L. Deininger, Dayton; Mrs. Rose C. Brasch, St. Louis; F. W. Darrow, Aubuquerque, N. M.; J. J. Walter, Sheldon, Ia.; C. W. Worth, San Marino, Cal., and Tom C. Logan, Seattle. Seattle.

Edward Mintz, Salinas, Cal., president of the 1948 Nylic Top Club council; Or-rin R. Knutson, Minneapolis; Dale Carmean, Wichita, and Roger B. Coffee, San Francisco, officers of the 1947-48 agents' advisory council, are members-ex-officio of the new council.

Larson Heads FTC Group

Allyn of Connecticut, chairman executive committee of National Assn. of Insurance Commissioners, has appointed Larson of Florida chairman of the federal trade commission special subcom-

Fire Death Award Reversed

The fifth circuit court of appeals has eversed the eastern Texas district reversed the eastern Texas district court, which had held that an insured who was burned in a building was en-titled to double indemnity. The case was remanded for anew trial. The was remanded for anew trial. The insurer contended that death was the result of an explosion, which was not covered, rather than fire. The case is Brooks vs. Provident Life & Accident.

Chesterman Unit Manager

Hilburn M. Chesterman, Irwin agency of Penn Mutual at Oakland, Cal., has been appointed a unit manager. He has been with the agency about three months. Mr. Chesterman joined Penn months. Mr. Chesterman joined Penn Mutual in 1946 with the Utne agency at

Takes Over in Me.

Howard E. Wharton, who has taken over the Portland, Me., agency of Mu-tual Benefit Life, has been with the company for 41 years. He has been a traveling auditor and frequently filled in as manager when vacancies occurred.



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Prospects Fade

for Early Action

on Tax Changes

WASHINGTON—There appears to be no immediate prospect of early tax revision legislation along lines recom-mended in the life insurance interests' program. Observers believe this situa-

mended in the life insurance interests' program. Observers believe this situation may be at least partly due to political results of the November elections, coupled with Rep. Celler's plan to investigate the life industry and Senator O'Mahoney's rumored legislative project against bigness in business.

While nothing is reported to have been officially decided by congressional leaders, the understanding is that ways and means committee chairman Doughton opposes taking up tax revision until

ton opposes taking up tax revision until after March income tax returns are in. This indicates no action before April

This indicates no action before April or May.

The joint congressional committee on internal revenue taxation has been doing "nothing particular" regarding tax revision studies affecting insurance. However, the hope is expressed in that quarter that something can be worked out on the matter of legislation affecting annuities, as opinion is reported "not too divergent" on that subject.

The big thing life interests were con-

divergent' on that subject.

The big thing life interests were concerned about last year was proposed elimination of the premium-payment test under the estate tax law. Such a relief provison was in the tax revision bill that passed the House last June, but received no Senate consideration.

This proposal is described by concressional tax specialists as a big prob-

gressional tax specialists as a big prob-lem. The Treasury department opposed

it last year, but Republicans controlling the House and its ways and means com-mittee went over the department's head, only to have that action stymied in the

Senate. The department reportedly op-poses the provision this year.

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Truman Asks SS Broadening and **Medical Care Plans**

WASHINGTON—"The present coverage of the social security laws is altogether inadequate" said President Truman in his address to Congress Wednesday, "and benefits are too low . . . we should expand our social security program, both as to size of benefits and extent of coverage, against the economic hazards due to unemployment, old age, sickness, and disability."

Says We Need Prepaid System

The President declared that "tens of millions lack adequate medical care."
He added that "we need—and we must have without further delay—a system of prepaid medical insurance which will enable every American to afford good medical care."

medical care."

He recommended elevation of the federal security agency to "full departmental status."

The President urged new tax legislation to yield \$4 billion additional annual revenue, to come "principally from additional corporate taxes", but "a portion should come from revised estate and gift taxes", and "consideration should be given to raising personal income tax rates in the middle and upper brackets."

Tax Booklet Published

An outline of essential considerations in reducing estate shrinkage based on the 1948 revenue act is presented in the revised edition of "The Cost of Doing Nothing vs. Doing Something about Your Estate," a 32-page booklet by George J. Laikin, Milwaukee and Chicago tax and estate attorney. The booklet is published by Charles D. Spencer & Associates, Chicago.

"Pushes Buttons" to Gain New Prospect's Attention

CINCINNATI—Interviewing a new prospect is the toughest thing he has found in selling, R. A. Lauer, million-dollar producer of Northwestern Mutual, Cincinnati, told the Cincinnati C.L.U. Mr. Lauer said he pushes a lot of "buttons" to attract the interest of the prospect. These, he finds, will usually start the prospect to talking or indicating his interest in some particular subject. The prospect first of all will tell all his objections to life insurance and will then jections to life insurance and will then generally remain quiet while the agent

speaks.

"The 'buttons' enumerated by Mr.
Lauer are: Tax free income under
Treasury decision 5515; estate analysis;
incurance: tax law programmed life insurance; tax law decisions. He keeps a file of 50 or 60 new ideas which he has picked up and reviews it periodically with the thought of associating an idea with a specific individual.

Sells One Out of Three

After he has reviewed these ideas, he really "gets hot," Mr. Lauer asserted. He talks on the phone to the prospect he has in mind and sells one out of three. There are few ideas, but adaptations of old ideas are effective in selling. Although he has never sold a deferred compensation plan, he said it is an interest getter. He never has any doubts about the legality of the plan because he said he couldn't conceive of a prospect going into such a plan without getting advice from his attorney or accountant.

or accountant.

Business insurance is presented on a similar basis to the plan he uses in his interview with a new prospect. He has a prepared sheet which shows eight reasons why it is desirable for a firm to have key-man insurance. At the bot-

tom of the sheet data is given on the cost of \$100,000 of such coverage at age 40.

A prospect who needs, say, \$20,000 additional insurance which would cost \$500 but who can't afford that amount, should have \$20,000 term rather than ordinary life, he said. He uses a convertible term policy which converts one-fifth each year to permanent insurance. vertible term policy which converts one-fifth each year to permanent insurance. Mr. Lauer starts to convert the policy as soon as it is sold. During the con-version period the sale is protected from competition because the insured is busily engaged in converting the busi-ness. Compromise on the plan, not the amount, he said. About 95% of this business is converted. People like bargains, he said. This is shown by the amount of business sold prior to the CSO change and change of age.

Grandfathers Good Prospects

The grandfather-grandchild sale is a good one, he indicated. The premium is paid by the grandparent and if under \$3,000 is exempt from gift tax. He likes a 20-payment life policy for boy and a 10-payment plan for girl. This takes the money from the top bracket of the grandfather's estate and the cash value exceeds the premium paid.

A new policy is being written by a few companies which is popular with Mr. Lauer's clients and is "psychologically sound." The policy starts at \$5,000 at age 21. Its advantages are the fact the insured is \$8,000 better off in cash, no The grandfather-grandchild sale is a

insured is \$8,000 better off in cash, no investment or reinvestment problem, use of options, no red tape or legal guardianship. Parents do not want a child 21 to have \$20,000 and this presents a problem. The father, however,

may hold the policy and not give it to the child until he thinks it's wise. While it is possible for the child to institute legal action for the policy, it is unlikely in most cases, he said.

It is almost impossible today for an individual to save \$50,000 and even if he does, the interest on it is insufficient to bring in a satisfactory income unless it is available from a life insurance company under an option which will return about \$3,600 annually, he said. The advantage of life insurance is that it has high paid-up values and furnishes "twice as much for half as long."

In 1928, it required \$13,900 to return \$100 a month for life at 65; today, it requires \$21,000.

George Vinsonhaler, John Hancock, chairman of the annual meeting committee, said the annual open meeting would be held Feb. 11 and an outstanding national figure would speak.

Pacific Mutual Life's figures for Cains \$57 Million; Sales II.

Pacific Mutual Life's figures for syours, sour in force at Dec. 3 \$903,750,000 against \$46,418,794 at close of 1947; new business, inclured in force \$57,330,000 as against \$60,041.

Nine Win in Protective Drive

Protective Life's recent sales of resulted in grand prizes for Clinto Rouge; Walter Puckett, Birming Norman Askew, Oak Ridge, T.

E. D. Zeigler, Florence, S. C.; & Wilcox, Miami; J. Ovid Keene, ville, Va.; and P. J. DeGrouchy, folk.

ing national figure would speak.

Gains \$57 Million: Sales Up

Pacific Mutual Life's figures for 1948 show insurance in force at Dec. 31 as \$903,750,000 against \$846,418,794 at the close of 1947; new business, including revivals and increases \$134,658,168 as against \$122,162,942; increase of business in force \$57,330,000 as against \$60,491,-

Protective Life's recent sales drive resulted in grand prizes for Clinton B. Haines, Birmingham; Seth Pool, Baton Rouge; Walter Puckett, Birmingham; Norman Askew, Oak Ridge, Tenn.; E. D. Zeigler, Florence, S. C.; R. W. Wilcox, Miami; J. Ovid Keene, Danville, Va.; and P. J. DeGrouchy, Norfolk.

A philosophy that works...

The continuing advancement of the essential interests of its field underwriters is fundamental in Equitable Life of Iowa operations.

Scientific selection, progressive and thoughtfully planned training, and an amplitude of field tested sales aids, are integral parts of a development program the merit of which has become more apparent annually.

As a natural result, Equitable of Iowa field underwriters are noted for the effectiveness of their services and held in everincreasing esteem by prospects and policyholders.



Equitable Life of Iowa

Founded in 1867 in Des Moines

An Emblem



of Distinction

Sound business management and very low mortality have given Lutheran Mutual the distinction of being one of the very lowest net cost companies in the United States.

Inquiries, regarding agency openings, are invited from Lutherans.

LUTHERAN MUTUAL LIFE INSURANCE COMPANY Waverly, Iowa

LEGAL RESERVE FRATERNALS

Maccabees Names Slyman in Mo., Garber in Canada

Thora Cardwell who recently resigned as Missouri manager for Maccabees now has been succeeded by George Sly-man. He has been Maccabees' St. Louis

manager for about 10 years.

Frank Garber has been named Canadian provincial manager of Maccabees succeeding Major Blake, who recently retired.

Mr. Slyman formerly was connected with Metropolitan Life in the field for 15 years and then for a time represented Occidental Life of California and other old line life companies. He is a large personal producer as well as experienced organizer and has qualified regularly for Maccabees' production clubs.

Thora Cardwell in private life is Mrs. Milton Rhodes. She is a graduate lawyear and for many years was closely severa and for many years was closely severa and for many years was closely severa.

year and for many years was closely as-sociated with Jones Parker, who at one time was Missouri state manager for Maccabees. Mrs. Rhodes now is president of the Missouri Fraternal Congress and formerly was its secretary.

James E. Turner of Moon, Va., died recently after a long illness. He was 78. For many years he was Virginia man-

ager for Maccabees and for a time also North Carolina manager. Mr. Turner resigned as Virginia manager in 1937 because of ill health and has been in semi-retirement.

Honors Veteran Employes

NEENAH, WIS.—Eight veteran employes of Equitable Reserve were honored at a dinner attended by 44 persons. President N. J. Williams and M. L. Ridgeway, secretary, spoke, and Dr. G. H. Williams, vice-president and medical director, was toastmaster.

First Speaker Is Secured

Fred A. Johnson, head of Royal League, Chicago, and president of the presidents' section of National Fraternal Congress, already has secured a commitment from one of the speakers before this section at the annual meeting to be held Sept. 27 at Washington, D. C. He is Dr. Waldo E. Fisher, professor of industry in the commerce school of University of Pennsylvania, an authority on industrial relations and the economics of the bituminous coal industry.

the bituminous coal industry.

Recently he was appointed by the President on the board of inquiry into the bituminous coal dispute and he held

many important posts as mediator and arbitrator of industrial troubles. His topic will be "The Expanding Role of Organized Labor in the American Economy." Economy.

Oscar W. Curtis, 72, recently retired auditor for Woodmen of the World Life in Omaha, died Dec. 29 in a hospital at Council Bluffs, Ia., where he had lived for 50 years. He was a member of Excelsior lodge of Masons and Council camp No. 14 of W.O.W.

Clyde Rynearson, 77, retired division group head for Woodmen of the World Life, died Dec. 24 at his home in Omaha.

John Saari, 71, district agent in New York state for Lutheran Brotherhood of Minneapolis, died in New York City. A native of Finland, he was a former member of the Minnesota legislature and was at one time vice-consul of Finland in Portland, Ore.

U.C.L.A. Students Told of "Horizons of Insurance"

LOS ANGELES-Representatives of

LOS ANGELES—Representatives of six life companies discussed "Horizons of Insurance" at the business opportunities forum at U.C.L.A., and answered questions from the students.

Raymond H. Belknap, director of agencies of Occidental Life, talked on "The Million Dollar Salesman." He said the million dollar salesman actually is selling an idea. He outlined the organization of a typical life company, including the home office, the agency or including the home office, the agency or branch office and the retailer, the agent or broker, who sells direct to the cus-

"Management of the World's Biggest Business" was discussed by William Breiby, vice-president of Pacific Mutual Life. He presented life insurance as the personification of free enterprise, and gave a closeup of the typical home office with its underwriting, policy preparing, renewal, premium collecting and claims departments.

Kenneth B. Hixson, general counsel for Prudential at its western home office at Los Angeles, talking on "Profit with Safety", said the acid test of any life company is its ability to pay claims and yet keep its premiums in line with companies to be a support of the safety of the sa petitors. Insurance companies are land-lords to 22,00 tenants, he said. They also are buying factories and stores and are leasing them back to former owners

John W. Yates, general agent of Massachusetts Mutual, in answering the question "What Is Life Insurance?" held the clothes a man wears, the food he eats, the roof over his head, all are life insurance. "Life insurance is for the living," he said. "It's one of the few investments anywhere the size."

surance. "Life insurance is for the liv-ing," he said. "It's one of the few in-vestments anywhere that gives you a dollar for 68 cents. Sophia Bliven, Continental Assurance, conducted the question and answer period that followed. Most of the quesperiod that followed. Most of the questions were slanted toward opportunities for women in life insurance.

Joseph O'Connor, Penn Mutual Life, was moderator of the forum.

Two Long Service Records

Frank J. Johns, manager at Norristown, Pa., of the Prudential for nearly 21 years, has completed 40 years with that company. He became a manager in 1928 after serving as an agent and later assistant district manager at York, Pa. He was graduated from Mt. St. Mary's College, Emmitsburg, Md., and Niagara University.

Harry A. Thornton, manager at Sioux City, Ia., of Prudential, has completed 35 years of service. He first served as an agent at St. Paul, became assistant manager at Mingeapolis in 1925 and went to Sioux City in 1931.

Loses Diabetes Suit

The U. S. court of appeals, first circuit, has upheld the district court's decision that Aetna Life was not entitled to the cancellation and surrender

of a \$40,000 policy issued to A. J. Traverse on the ground that Mr. Traverse was shown to have diabetes shortly after the policy was delivered and hence must have had it at the time the policy was delivered. The policy was delivered. Must have had it at the time the policy was delivered. The policy was delivered Aug. 23, 1946. The previous day Mr. Traverse had a chill and went to a hospital for a checkup. He was discharged the next day as having no disease. The circuit court held that he was under no obligation to disclose this incident circuit. obligation to disclose this incident, since obligation to disclose this incident, since it apparently was not material. The company's medical expert testified that Mr. Traverse probably had diabetes on Aug. 23 but the circuit court agreed with the lower court that it was not possible to say with exactness just when his diabetes made itself determinable.

Good Faith Wins Suit

The Pennsylvania supreme court has upheld the trial court in Travelers vs. Heppenstall Co., a case involving a \$50,000 policy which Travelers sought to cancel because the insured, L. A. Daines, died of coronary thrombosis about nine months after the policy was issued. The defense was that while the applicant's physician knew of the heart condition, he did not tell the applicant and Mr. Daines answered the insurance applica-tion medical questions in good faith to the effect that his health was good.

Kan. 1949 Meeting Set

The 1949 annual meeting and sales congress of Kansas Assn. of Life Underwriters will be held at Wichita, May 13-14. Don Mitchell, New York Life, 2nd vice-president of the Kansas association, heads the program committee for the sales congress and his committee has a strong tentative program in the making, having held several meetings. Rex Lear, Farmers Life state manager, Sa-lina, is Kansas president.

Reliance Changes Dates

Dates for Reliance Life's regional convention at the Moraine hotel, Highland Park, Ill., have been changed so as not Park, Ill., have been changed so as not to conflict with those of the annual meeting of the National Assn. of Life Underwriters. New dates for the regional meeting are Aug. 29-31, and delegates will arrive at the hotel in time for dinner Sunday, Aug. 28. There is no change in the schedule for the other three regionals: Lake Tahoe, Sept. 5-7; Myrtle Beach, S. C., Sept. 19-21, and Shawnee-On-Delaware, Sept. 27-29.

Lawhead Succeeds Scott

LOS ANGELES-Robert G. Law-LOS ANGELES—Robert G. Lawhead, formerly assistant district manager at San Diego for Prudential, has been appointed manager in Los Angeles. He replaces Leonard Scott, who retired Dec. 31 after 34 years with Prudential. With the company more than 18 years, Mr. Lawhead joined Prudential as an agent in San Diego. He was made assistant manager in 1935.

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"Net Cost" Sales Approach Hill Says Agents Gains Adherents in Cities

The "net cost" approach to selling life insurance seems to be gaining adherents in the large cities. This increasing em-

insurance seems to be gaining adherents in the large cities. This increasing emphasis on differences between companies on rates and policy provisions is partly an outgrowth of increasing competition between agents. There are more skilled agents in the field than ever before and inflation is cutting down the number of good prospects. Then too, though it is foreign to the official life insurance approach, there is no doubt that if a customer thinks he is getting a bargain, he is much more likely to buy a product. One has only to attend a meeting which throws together the sales representatives of several companies to hear them thresh over the familiar "net cost" arguments. There are agents who damn such an appeal as dishonest, saying that in no way can the investment performance of the life insurance contract be predicted accurately. They argue too that the life insurance salesman is not selling just a policy, he is selling himself, his service, the name and the reputation of his company, all factors more valid and tangible than "net cost." Injected also is the insoluble wrangle over the relative merits of participating and non-participating contracts.

Difference Is Undeniable

Difference Is Undeniable

Those who stress "net cost" are armed with the undeniable fact that there are differences in rates, dividends and contract provisions of life insurance policies. They are also the men who are armed with a low "net cost" policy or two. No matter what other motivations they employ, these men never fail to mention the superiority of "net cost" of their contracts when making the life insurance sale.

ance sale,

Many agents employ detailed written
and illustrated proposals to show clients how the policy being offered compares with policies of competitive companies. Even the new men are soon initiated into checking rates, policies and practices of the companies of competing agents and into employing their findings in competition.

Makes Some Prospects Reflect

As a result of this preoccupation with "net cost" on the part of the agents, customers become aware, many for the first time, that there are differences between the offerings of the various life insurance companies. It causes some of the prospects to reflect that they had better investigate further to see if there is not some other company that will

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offer an even better deal than the one the agent is heralding as best. Some prospects, especially those business men who pride themselves upon their financial acumen, decide they will not buy any life insurance until they have called in two or three other agents with proposals. One of the bad features of this psychology is that it gives the procrastinating prospect the chance to ease off the agent and save his own conscience

cal acumen, decide they will not buy any life insurance until they have called in two or three other agents with proposals. One of the bad features of this psychology is that it gives the procrastinating prospect the chance to ease off the agent and save his own conscience at the same time on the pretense of desiring to "see some more figures."

"Net cost" selling has been furthered by the great increase in popularity of business insurance and the group coverages. There are not too many group cases which are sold without competitive proposals from two or more companies being submitted. Likewise, many firms buying business insurance will not invest funds without considering proposals from several companies.

There are companies and there are agents who seem to specialize in submitting competitive proposals in cases that have been opened up by other parties.

The large number of general brokers.

parties.

The large number of general brokers who sell life in the cities are natural contributors to "net cost" selling. Having no allegiance to any particular company, they naturally shop around for coverage that will stand up in competition. They, in turn, force many a full time life agent into similar practice when they are competing against him. Competitive are competing against him. they are competing against him. Competing brokers indulge often in the most intense life insurance competition of the "net cost" type between themselves.

et cost" type between themselves. The stress on differences between con-The stress on differences between contracts has resulted in a good deal of provocative soul searching on the part of life insurance agents. This revolves around whether the life insurance agent owes it to his client to place his insurance in the company which will give him the best deal on a particular policy or whether that agent owes it to his or whether that agent owes it to his company to place the insurance with it, regardless of possible disadvantages to his client.

Decision Rests With Agents

To answer the question one way could be injustice to the client whom the agent is pledged to serve. To answer it agent is pledged to serve. To answer it the other way might wrong the com-pany which has contracted him and spends considerable money training and supplying him on the understanding that he will write life insurance exclusively for that company. The decision rests with the agents and there is an increas-ing number who broker out a good share of their business to other companies. This practice is common in the large cities practice is common in the large cities where there are agencies which do a large business among the full time agents with other companies who, for

agents with other companies who, for reasons of competitive advantage, broker out business which officially should go to their own companies.

Of course, it is easily recognizable that the philosophy of the best contract for the client regardless in which company it is placed is the philosophy of the broker whose influence is naturally strong in the large cities. The broker is the representative of the assured and obligated to obtain for his client the best possible insurance. There is a large number of brokers writing substantial life insurance in the large cities, in fact life insurance in the large cities, in fact quite a few who do a much greater life than a general insurance business. In their ranks are many former full-time life insurance persent. life insurance agents.

"Professional Service" Attitude

At the opposite pole to the "net cost" approach is the philosophy the agent who regards himself as a "professional" life insurance man. He regards himself as offering a professional service, not policies. He sells himself as a better and more competent life insurance counselor than the next fellow without talking cost. He sells his professional services and the client has to have enough faith

Must Work Harder

(CONTINUED FROM PAGE 1)

them when they are needed most, he

The values of operating a time study

in his integrity to accept his judgment. He is selling income and security and a good investment, yes, but he stresses his services as part of the investment. Either through choice or because of a strict contract he does not place business outside his company.

No amount of wishful thinking one way or the other can obscure the fact that these two opposed philosophies, "net cost" and "service" are operating among agency ranks today. Many salesmen blend the two. It will be interesting to see which gains the upper hand.

Morris W. Torrey, 78, 3rd vice-president of Metropolitan Life till he retired in 1936, died in Jacksonville, Fla. He was with reinsurers with German connections before going with Metropolitan after the first world war to organize its reinsurance division.

Minnesota Mutual home office employes have elected **Crystal Johnson**, bookkeeper in the accounting department for the past five years, as princess to head the company marching club in the St. Paul winter carnival in February. She will have as attendants five other home office girls other home office girls.

Bernard M. Riber, Brooklyn general agent of Mutual Trust Life and public relations vice-president of the Brooklyn branch of the Life Underwriters Assn. of New York City, has concluded a series of insurance talks at the New York State Institute of Applied Arts and Sciences in Brooklyn.

triangle were outlined by Roe Walker, Bloomington, Ill., agent. He suggested learning the prospect's problem first, then developing a desire for protection, showing the solution, and making the close. Don't invert that triangle, he cautioned. A lapsed policy shouldn't be left in the owner's possession, he sug-gested. Take it away from him. When he sees it going he'll make every effort to reinstate it. But if he can't, you can spare the widow the disappointment of believing she is covered when she isn't. He concluded his talk with a demonstra-tion of a sample policy in which he has inserted photographs depicting various policy benefits.

1.000 at Dinner Dance

Attendance at the meting hit its peak at the dinner dance where 700 agents and 300 wives turned out, giving 1949 a rousing kick-off in the industry's annual series of sales meets.

A talk by Solomon Smith, Boston agent, keynoted sales efficiency as the 1949 theme. He discussed a time control calendar he has developed which operates on a daily, weekly and monthly basis and gives him a controlled prospect record that eliminates guesswork. With his charts, which were illustrated by film slides, he has developed a scheme for planning his week's or month's work in advance. The chart is his boss, he said, and never lets him deviate from controlled sales efforts. It has doubled his sales, putting him in the Million Dollar Round Table class since he adopted it 16 months ago. months ago.

sell doctors, Royall R. Brown, Winston-Salem, N. C., suggested. They are worried about retirement income and about their future if state-controlled medicine becomes a reality, Business insurance, too, is a big sales market.

He has been able to sell it without calling in the American Bar Assn. out calling in the American Bar Assn.
Tossing a gibe at producers who worry
about lowyers to excess, he advised
calling in a lawyer when needed, but
"don't be afraid of them," he said.
At the sales forum, P. F. Kamens,
Pittsburgh, said that \$900 million in
government bonds are maturing this
(CONTINUED ON NEXT PAGE)

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year and producers might induce the owners to put the money received from them into life insurance. John P. Propis, Buffalo, suggested catching prospects while they are younger and selling them the idea of building a retirement program while premiums are

In selling the self-employed who have a social security covered payroll to meet, show them that they are buying a life program worth from \$15,000 to \$20,000 for their employes and their business should give them the same protection, R. L. Powell, Philadelphia,

Pays \$1 for Ideas

The forum concluded with Jason E. Stone, Philadelphia, strolling through the packed audience with a microphone awarding silver dollars to agents who offered an idea worthy of applause. He passed out at least \$10 before time ran out. Chairman at other sessions were C. E. P. Crauer, Poughkeepsie; Robert E. Wiener, New York; Stanley S. Trotman, New Haven; H. K. L. Hurrelbrinck, Baltimore, and Herbert L. Smith, Harrisburg. W. L. Momsen, Boston, was general chairman of

m, Boston, he meeting.
At the dinner Vice-president Howd J. Tobin had the not unpleasant ard J. Tobin had the not unpleasant task of giving a congratulatory kiss to Mrs. Ann Liston, South Bend, first Northwestern Mutual woman agent to make the Million Dollar Round Table.

LISTS "BIG 10"

Commenting that 35% of Northwestern Mutual's production was represented by the agents present from the New England, middle and south Atlantic states, Mr. Hill thanked them for the important part they had played in the company's third successive year with production considerably in excess of \$400 million. He extolled the number of leading producers in attendance for their outstanding performances. He also congratulated Mrs. Ann Liston, South Bend, Ind., for being the first woman agent of the company to qualify for the Million Dollar Round Table.

Mr. Hill announced the Northwestern's "big 10" leaders for the eastern

ern's "big 10" leaders for the eastern zone for the year ended Dec. 1: A. J. Ostheimer, III, Philadelphia; Royall R. Brown, Winston-Salem, N. C., Leonard Mordecai, Boston; E. M. Lillis, Erie; A. E. Gillman, Baltimore; F. B. Francis, Philadelphia; T. K. Carpenter, New York City; L. R. Schultz, Philadelphia; S. A. Borchardt and D. B. Fluegelman, New York City New York City.

Gives Survey Results

Referring to a survey that was made among some of the Northwestern's leading agents, Mr. Hill gave interesting figures from the replies of 322 agents to the exhaustive questionnaire. Those replying averaged \$408,000 of production (aveluding representation) for the preof \$10,000; average of \$408,000 of production (excluding pension trusts) for the previous 12 months. They had an average policy of \$10,000; average policy for business use of \$20,000, and average policy for key-man insurance of \$28,000.

breakdown of the figures showed that, exclusive of pension trusts, these agents' sales were 40% for family protection, 15% for retirement purposes, 15% for estate purposes, 20% for business insurance, and 10% for miscellaneous needs. needs.

He said that at the depth of the deoression of 1933, when the average fam-ly income was \$1,300 annually, these families owned an average of \$3,200 life insurance, or more than twice the family income. On the basis of the latest figures available, the average family now owns life insurance to cover only about 90% of a year's income, indicating a large market for life insurance still exists.

feel confident that 1949 will be another big year for life insurance sales,"
Mr. Hill said, "but I am also confident
that producers will have to work harder to equal their past year's results."

'48 Sales About \$24 Billion: Zimmerman

(CONTINUED FROM PAGE 1)

Whereas volume, as compared to 1947, is off only 1½%, the number of policies and certificates issued is off approximately 7.6%. Although the figures are as yet available, 1948 will undoubt-show some decline in the average premium per thousand of new insurance purchased.

Lapses which have levelled out in 1948 are nevertheless somewhat higher than the record low of 1946.

Economic Conditions Firmed

All of these trends, still hardly dis-cernible, nevertheless indicate that eco-nomic conditions have firmed, Mr. Zimmonne condutions have firmed, Mr. Zimmerman said. There is further evidence that high prices have sharply curtailed the ability of most families to put aside money for the future. A recent survey made by the University of Michigan for the federal reserve board about 15 months of the federal reserve board about 15 months for the federal federa the federal reserve board shows that whereas 64% of all families are still managing to save money and another 8% are managing to break even, the remaining 28% are spending more than their current income.

For the country as a whole, the approximately \$7 billion put into life insurance in 1948 represents a very substantial portion of the total amount saved during this year, he said. For many families life insurance payments were the only funds accumulated throughout the year. Approximately many families life insurance payments were the only funds accumulated throughout the year. Approximately 76% of families are saving through life insurance. Mr. Zimmerman, said life insurance purchases, although fluctuating less sharply than economic conditions, nevertheless are closely tied in to long-term economic trends and estimates of life insurance sales in 1949 must be based on estimates of the ecomust be based on estimates of the ecomonic climate throughout the year, which he believes should be conducive to another year of high life insurance production. Both from the standpoint of financial strength and from the standpoint of well-trained, well-educated sales and service organization, life insurance 1949 in the strongest position it has ever enjoyed.

SEES PROSPERITY

As indications that economic conditions should continue at a high level throughout 1949 he cited government spending for the Marshall plan, inspending for the Marshall plan, increased spending for defense, and the likelihood that Congress will peg the farm subsidy support at a higher level than had been anticipated several months ago. Capital outlays for expansion and modernization of industrial plants will probably continue at a rate almost equal to that of 1948, he said Housing, although placing greater emalmost equal to that of 1948, he said. Housing, although placing greater emphasis on smaller and lower priced units, should nevertheless continue its activity at the high rate of 1948. National income will probably continue at a rate of approximately \$200 billion. The accelerated growth in population, the fact that the marriage rate still continues that the marriage rate still continues above the pre-war level and the 1949 estimated birth rate of 24 per 1,000, are all factors which are favorable to the purchase of life insurance, he pointed

As to less favorable factors, Mr. Zim-merman said here and there supply has caught up and even exceeded demand, soft spots are developing in certain in-dustries, particularly in textiles, in business and household appliances, and in the luxury field, and there is a very noticeable transition from a sellers' to a buyers' market. The contemplated high level of government expenditures combined with governmental fiscal policies will continue to bring inflationary pres-sure. Uncertainty as to future labor legislation creates a certain amount of hesitancy in long-range planning. settled conditions in many parts of the

Many Problems in Private Placements

(CONTINUED FROM PAGE 7)

valid by students of finance. Investment bankers do arrange the bulk of privately placed securities. One observer thinks this might be as much as 95% of all private placed loans. Thus the investment bankers earn a commission. This may not be quite as much as in a public offering, but then the work in a part of the process of the proce

may not be quite as much as in a public offering, but then the work in connection with a privately placed security is not as much or as costly.

The life people believe they can do a good job of lending money. The investment banker, when he makes terms, is buying to sell, and is doing so to fit the current market. The life companies are considering the long-term holding and the ultimate strength of holding and the ultimate strength of the issue. In some respects this gives them a more realistic outlook on an issue than that of the banker. The banker will not take an issue if he thinks the market is going down, but the insurance company does not regard a temporary fall of the market, the insurance company does not regard a temporary fall of the market, even if anticipated at time of the loan, as very influential in deciding on an issue it is going to keep for many

On a publicly offered security, if there is a sinking fund whose requirements are not all met by the borrower, even though he meets the interest, in effect there has been a technical default. The point has been raised that on privately placed loans the borrower may get the life company to alter the contract. If this should happen, it is admittedly a

point of danger.
Yet, offsetting this danger is the fact that investment officers require much stronger sinking fund arrangements in connection with the privately placed loan than is done on a public offering, the terms of which have been fixed before the life insurer comes into the pic-Since the life companies do this. ture they are in a better position when there is a crisis. Their arrangements often require the payment of more into the

sinking fund in good years in order to build up fat for the lean years. The flexibilities that exist in privately placed loans make them better in this respect, the life companies believe. They point out that the interstate commerce commission is insisting on flexibility, even in interest rates, in the railroad securities field.

world along with the continuation of the cold war are discouraging notes. Mr. Zimmerman said that the alert in-

dividual agent will find his opportunities in 1949 as great as ever before. Broad-ening of social security which wil bring in groups now uncovered and increasing social security benefits will give agents an opportunity to review the financial programs of millions of individuals in order to fit life insurance into these pro-

Because the break-even point of al most all business is higher today than ever before, a premium is placed on efficient business management, he said. This, in turn, increases the importance of key men to the continued success of business organizations. Business or

business organizations. Business organizations will more readily see the value of insuring the lives of such key men in favor of the business.

The increasing consciousness of employers of their responsibility for the welfare of their employes, combined with the pressure of organized labor for reacter, realizes benefits will result in a greater welfare benefits, will result in a further acceleration in the rate of so-

called mass coverages. Life insurance management will de

vote more attention to the study of markets, he predicted. The individual agent will devote more attention to selective prospecting. Life insurance management will continue to improve the training of its field forces. The individual agent will sharpen his salest

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NEW YEAR'S RESOLUTIONS

It's time to take stock, see where we are and where we're going, and resolve to do a better job.

This applies to all of us, both in Home Office and field, because our interests are the same, . . our objective to give fuller and better service to more people is shared together.

May we assure our own field force and the life insurance business in general that we are dedicated to do our part in 1949 to make this a finer business, . . both to those who make it a career, and those who depend on it for their future security.



OUR FIRST BILLION IN FORCE

... a Tribute to Our Representatives

Continental's volume of insurance in force has soared beyond the billion dollar mark . . . a major milestone reached thirty-seven years after founding.

The achievement is a fitting and deserved tribute to our loyal, talented, prosperous staff of agents operating in forty-two states. That billion is 100% theirs. No reinsurance. No mergers.

They have written . . . and constantly enlarge . . . their proud and amazing record of progress. Volume in force has quadrupled since January 1, 1940 . . . doubled since January 1, 1945 . . . streaked ahead more than \$132,000,000 during the first eight months of 1948.

Record of Progress

October 31, 1948\$	1,037,447,555
December 31, 1947\$	869,856,136
December 31, 1945 \$	539,436,117
December 31, 1940\$	274,442,684
December 31, 1930\$	145,885,151
December 31, 1920\$	17,727,585
December 31, 1911\$	93,479

Opportunity is Greatest Where Growth is Fastest!

Capable experienced life men . . . ready for bigger things . . . will find a rare choice of situations with Continental . . . as general agents . . . as life department managers with prominent general lines agencies . . . as personal producers under unit manager compensation plan. We invite you to write for details.

Agency Department

Continental Assurance Company

310 South Michigan Avenue Chicago

One of America's Fastest Growing
BILLION DOLLAR Life Insurance Companies

